

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
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RE: January 2014 State Update

DATE: January 29, 2014

The Legislature returned to begin the second year of the two year session on January 6, 2014. As you know, this is always a rushed time of year, attempting to move bills out of their house of origin, most of which have been significantly amended. The Governor also released his budget, it was scheduled for January 10, 2014, however it was leaked in advance of that date so he presented in on January 9, 2014. With the house of origin deadline on Friday, many are scrambling to get their bills into the second house before the deadline. We also just had the legislative counsel deadline, Friday, January 24, 2014. As you know, hundreds of proposals go to leg counsel in an attempt to parse out what should be introduced.

As we go into February, we have the bill introduction deadline on February 21, 2014. At which time we anticipate thousands of new bills will be introduced and some reintroductions of ones we saw this year. In terms of timing, they will have to sit in print for 30 days, and then they can be heard in the policy committee. With many members termed out this year, it should be interesting to see what is introduced as they attempt to close the book on this chapter of their career.

BUDGET

With the release of the Governor's budget on January 9, 2014, California was finally in the black. This is the first budget in many years that did not contain or attempt to deal with a deficit. As such, the Governor is very committed to paying down the "Wall of Debt" and saving money in the "Rainy Day" fund. Many would like to see some restoration of cuts that have occurred over the last several years, so we anticipate this will be a major discussion as we move into the spring. There are also a lot of cost savings associated with realignment, the Medi-Cal optional expansion, the Affordable Care Act coming on-line, just to name a few. These are estimates of saving, not yet realized savings.

There is also some major unrest around the Administration's policy of not allowing IHSS workers to work more than 40 hours a week. The Federal Department of Labor has changed how they handle over-time; Secretary Diana Dooley (HHS) told them in a letter that California would not be able to afford these new requirements. The Administrations resolution was to disallow over-time for all IHSS workers. We anticipate this will be a heated discussion this year as well.

WATER

Other issues that will be focused on this year are the Governor's state of emergency on the drought. We anticipate that this will receive a lot of attention. He has also released his "California Water Action Plan" in an attempt to get California on-track for water conservation, restoring our natural habitat, and ensuring our resources are protected into the future. He has also announce that he would like to see California's urban water usage return to 2000 year levels but the year 2030, this is an extension of then Governor Schwarzenegger's 20 by 2020 plan implemented in 2008 by SB x7 7, when he declared a drought. Later to be lifted by Governor Brown in 2011.

There are also two water bond proposals floating around out there. One is a redo of SB 42 by Senator Lois Wolk (D-Yolo), which was unsuccessful this year as it was a two-year bill, so she dropped the language into SB 848 (Wolk) which will be heard on February 11, 2014 in Senate Nature Resources Committee. There is also AB 1331 by Assembly Member Anthony Rendon (D-Los Angeles) which we discussed last year; this bill is currently sitting in the Senate awaiting a committee hearing.

We believe other measures will be introduced in this area and the hope for the legislature is two-fold, one to have one of these measures replace the current bond proposal that is already on the November 2014 ballot and two that the Governor will sign the bill that arrives on his desk.

Bills of Interest to the County

AB 158 (Levine) This bill would prohibit stores from allowing single-use carry-out bags. As you know, many discussions around this issue have taken place by local governments in an attempt to deal with this issue. On the other side of the issue is the potential job loss by closing factories that manufacture these bags, which is why these bills have been unsuccessful over the last couple of years. We understand that positive conversations are happening on both sides, therefore allowing AB 158 to move onto the Assembly floor; however the bill must move out of the house of origin by Friday, January 31, 2014. The County does not have a formal position on this issue, but we know this is something you are monitoring and we wanted to update you on its progress.

SB 498 (Lara) This bill is a reintroduction of SB 801 that the county supported last year. Unfortunately, due to last minute amendments the Governor vetoed SB 801. The Senator met with stakeholders over the fall and this is the compromise bill. The bill moved off of the Senate floor on January 28, 2014 with a vote of 34-0. SB 498 will help to facilitate the development of cleaner and more efficient technologies in California for converting biomass materials into renewable energy by expanding the definition of biomass to include non-combustion conversion technology. The County is supporting the bill.

Conclusion

We will continue to work with staff as bills are introduce and budget discussions begin to review our platform and see how they all work together. We are pleased that we are finally working on

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a budget surplus but do have concerns about what the budget will look like in June. As always, should you or our staff have any questions, please let us know.