

Legislative Briefing on Priority Issues & Bills

Mayors and Council Members Executive Forum
Monterey, CA
Thursday June 29, 2017



1

League Legislative Representatives

Dan Carrigg, Deputy Ex. Dir./Leg. Director
Revenue and Taxation



Tim Cromartie, Legislative Representative
Public Safety



Jason Rhine, Legislative Representative
*Housing, Community & Economic
Development*



2

League Legislative Representatives

Rony Berdugo, Legislative Representative
Transportation and Public Works



Dane Hutchings, Legislative Representative
Governance, Transparency & Labor Relations



Erin Evans-Fudem, Legislative Representative
Community Services, Environmental Quality



Legislative Timelines

- ✓ Budget: Gov. Must sign by July 1 (He signed Tuesday)
- ✓ July 14: Fiscal bill policy committee deadline
- ✓ Summer recess: July 21-August 21
- ✓ Fiscal Committee deadline: September 1
- ✓ Adjournment: September 15

*League of California Cities Annual Conference
September 13-15 in Sacramento*

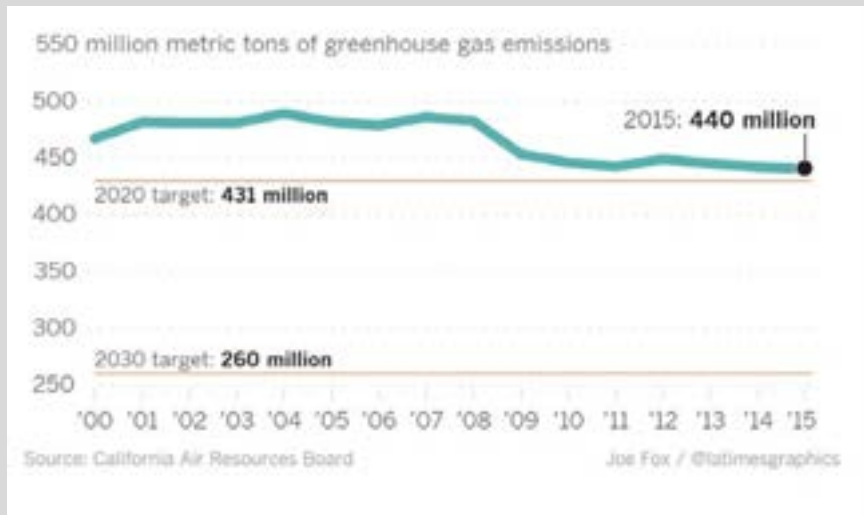
Budget

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Major Issues

- ✓ Marijuana Trailer Bill—Got the Fixes we Needed
 - ✓ Affordable Housing Funding Effort--**\$Zero**
 - ✓ Small City CDBG – Economic Development-Not Perfect, But Better
 - ✓ Mandatory Employee Orientation, limited the damage.
 - ✓ BOE Jurisdiction Switch –Could be better in long run
 - ✓ \$6 Pension Pre-Payment (**State's Liability increased \$51 billion** in one year)
- Still Undone:**
- ✓ Cap and Trade
 - ✓ Bottle Bill

GHG Reduction: How Are we Going to Get There?



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SB 32: 2030 Goal

Reduce GHG emissions to 40% below 1990 by Dec. 31, 2030



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Air Resources Board: Path to 2030

Existing Authority:

- ✓ 50% Renewable Portfolio Standard
- ✓ Low Carbon Fuel Standard
- ✓ Cleaner cars & trucks
- ✓ Reduced Vehicle Miles Traveled (SB 375)
- ✓ Short-Lived Climate Plan

New Proposals:

- ✓ Reauthorize cap-and-trade with declining cap
- ✓ 20% GHG reduction from refineries

Cap and Trade

Work in Progress

- ✓ Reauthorize cap-and-trade market mechanism by 2/3 vote
 - ✓ **Cost containment: price ceiling, speed bumps**
 - ✓ **Declining cap**
- ✓ New air quality program
 - ✓ **Air monitoring**
 - ✓ **Community planning**
- ✓ Expenditure plan contingent on vote to reauthorize

Bottle Bill

SB 102 (Committee on Budget and Fiscal Review)

Short-Term Solution:

- ✓ Redefine "convenience zone" to 1 mile radius of supermarket
- ✓ Narrow grocer obligation: limit in-store take-back to 24 containers, only applies to dealers with sales of \$2 million or more
- ✓ Adjust processing payments & handling fees to reflect 1015 cost of recycling with COLA
- ✓ Freeze calculations of recycling costs until Jan. 1, 2019 and redirects these funds for these calculations to unserved zones
- ✓ Makes an entity eligible for handling fees that establishes a recycling in an unserved area that operates at least 30 hours per week
- ✓ Up to \$3 million in supplemental handling fees for underserved/rural areas until July 1, 2020
- ✓ Extend sunset date on plastic market development program to Jan. 1, 2019

Prop 64 Trailer Bill

The League now supports the Trailer bill, SB 94/AB 110, as it has been amended to do the following:

- ✓ Restore definition of "volatile solvent"
- ✓ Restore State Medical Marijuana ID Card program
- ✓ Standards re: evaluation of license applications
- ✓ Restore Environmental protections in re: cultivation
- ✓ Restore Fire Safety Standards
- ✓ Allow non-storefront retail operations
- ✓ Retain requirement to disclose potency on product labelling

Prop 64 Trailer Bill

The League support the Trailer bill as it has been amended to include the following: (continued):

- ✓ Codify local agency right of inspection of businesses
- ✓ Restore provision re: state agency response time once locals revoke permit
- ✓ Clarify local government ability to apply for grants
- ✓ Clarify legal effect of revocation of local permit
- ✓ Restore guidance re: inventory discrepancies, theft, breach of security
- ✓ Restore to state language regulating the testing function
- ✓ Restore Impaired Driving Study

Mandatory Employee Orientation

- ✓ Would require that every public employee have the opportunity for a new employee orientation.
- ✓ The time, place, manner would all be subject to collective bargaining.
- ✓ Would only apply to new employees.
- ✓ If after 60 days both parties cannot come to an agreement, there would be binding arbitration with a 50/50 cost split for fees.
- ✓ Employer must share new employee names, home address and phone number upon hiring with recognized employee union upon first payroll cycle.

Federal Proposed Budget (1)

The President's proposed budget includes the proposed elimination and cuts to the following domestic programs:

- ✓ Eliminates the Community Development Block Grant program.
- ✓ Eliminates funding for the HOME Investment Partnerships Program, Choice Neighborhoods, and the Self-Help Homeownership Opportunity Program.
- ✓ Eliminates the federal Housing Trust Fund and National Magnet Fund. Eliminates the Department of Agriculture's Rural Business and Cooperative Service, Rural Water Waste and Disposal Program Account and Single Family Housing Direct Loans.
- ✓ Requires states to provide 25 percent matching funding, and retailers to pay \$250 to \$20,000 applications fees, for the Supplemental Nutritional Assistance Program (Food Stamps).
- ✓ Eliminates the Department of Commerce's Economic Development Administration, Manufacturing Extension Partnership, Minority Business Development Agency and the National Oceanic and Atmospheric Grants and Education. Eliminates several programs at the Department of Energy including the Weatherization Assistance Program. -

Federal Proposed Budget (2)

- ✓ Eliminates several programs at the Department of Energy including the Weatherization Assistance Program.
- ✓ Eliminates the Community Services Block Grant Program and the Low Income Home Energy Assistance Program, and reduced funding for Temporary Assistance for Needy Families by 10 percent, at the Department of Health and Human Services.
- ✓ Eliminates, at the Department of Homeland Security, Transportation Security Administration Law Enforcement Grants and the Flood Hazard Mapping and Risk Analysis Program, and five components of existing Federal Emergency Management Agency Programs, while requiring a new 25 percent local match on others.
- ✓ Eliminates funding for the State Criminal Alien Assistance Program and funding for Migrant and Seasonal Farmworker Training, and the Senior Community Service Training Program, while reducing funding for the Office of Disability Policy by 30 percent and job training under the Workforce Innovation and Opportunity Act by 39 percent, at the Department of Labor.

Federal Proposed Budget (3)

- ✓ Eliminates the Green Climate Fund and the Global Climate Change Initiative under the Departments of State, UAAID and Treasury.
- ✓ Eliminates TIGER grants, Essential Air Service, and cuts funding for New Starts and Amtrak by approximately half at the Department of Transportation.
- ✓ Eliminates new grants to the Community Development Financial Institutions Fund at the Treasury.
- ✓ Eliminates Energy Star and Voluntary Climate programs, while reducing funding for enforcement by 24 percent and Superfund sites by 31 percent at the Environmental Protection Agency.
- ✓ Eliminates a number of independent agencies including the Chemical Safety Board, the Corporation for Public Broadcasting, the Institute for Museum and Library Services, National Endowment for the Arts, National Endowment for the Humanities, Legal Services Corporation, and Neighborhood Reinvestment Corporation.

Federal Proposed Budget (4)

"To do" List:

- **Contact your Congressional representatives! Make sure they know what is important to you!**

Sample letter and additional info on League website.

[http://www.cacities.org/Top/News/News-Articles/2017/May/President-s-Proposed-Budget-would-Eliminate-CDBG,](http://www.cacities.org/Top/News/News-Articles/2017/May/President-s-Proposed-Budget-would-Eliminate-CDBG)

Questions?



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Housing, Community & Economic Development

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Housing, Community and Economic Development

SB 2 (Atkins) Building Homes and Jobs Act

League Position: Support

- ✓ Imposes a fee of \$75 recordation on specified real estate documents to generate hundreds of millions of dollars per year for affordable housing, supportive housing, emergency shelters, and transitional housing.

Housing, Community and Economic Development

SB 3 (Beall) Affordable Housing Bond Act of 2018

League Position: Support

- ✓ Authorizes a \$3 billion general obligation bond to fund affordable housing programs and infill infrastructure projects including multifamily housing, CalHome, Joe Serra Farmworker Housing, Local Housing Trust Fund Matching Grant, BEGIN, and TODs.

Housing, Community and Economic Development

SB 540 (Roth) Workforce Housing Opportunity Zone

League Position: Support

- ✓ Streamlines the housing approval process by having cities identify Workforce Housing Opportunity Zones which would focus on workforce and affordable housing in areas close to jobs and transit and conform to California's greenhouse gas reduction laws.

Housing, Community and Economic Development

SB 540 (Roth) Workforce Housing Opportunity Zone (con't)

- ✓ Identify key housing area within the city
- ✓ Develop a Specific Plan/EIR
- ✓ Set aside 100-1500 housing units
- ✓ 50% market rate – 50% affordable
- ✓ WHOZ & Streamlining good for 5 years

Housing, Community and Economic Development

SB 35 (Wiener) Streamline Housing Approval Process

League Position: Oppose

- ✓ Seeks to streamline multifamily housing project approvals by eliminating public input, prohibiting CEQA, and removing nearly all local discretion.

Housing, Community and Economic Development

SB 35 (Wiener) Streamline Housing Approval Process (con't)

League Position: Oppose

- ✓ SB 35 exempts:
 - Communities in the coastal zone.
 - Communities that fall below certain population thresholds (less than 100,000 population, or not achieving a population of more than 100,000 by association with two or less contiguous cities).
 - Historic structures.

Disproportionately impacts state designated "disadvantaged communities."

Housing, Community and Economic Development

SB 35 (Wiener) Streamline Housing Approval Process (con't)

League Position: Oppose

- ✓ SB 35:
 - Applies to multifamily housing developments containing two or more units.
 - Prohibits parking requirements if the development is within one-half mile of public transit, located within a historic district, or has a car share service within one block.
 - Limits zoning and design review.
 - Requires prevailing wage.

Housing, Community and Economic Development

SB 167 (Skinner)/AB 678 (Bocanegra) Housing Affordability Act

League Position: Oppose/Neutral

- ✓ Prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, a housing development project for very low, low-, or moderate-income households or an emergency shelter unless the local agency makes specified written findings based on clear and convincing evidence in the record.

Housing, Community and Economic Development

AB 72 (Santiago) Attorney General: Enforcement of Housing Laws

League Position: **Oppose**

- ✓ Provides the Department of Housing and Community Development broad and nearly unlimited new authority to review any action by a city or county that it determines is inconsistent with an adopted housing element.

Housing, Community and Economic Development

AB 1397(Low) Housing Element: Inventory of Land for Residential Development

League Position: **Oppose/Neutral**

- ✓ Requires lands in a city's housing element to include vacant sites and sites that have "realistic and demonstrated potential" for redevelopment to meet a portion of the locality's housing need for a designated income level.

Community Services & Environmental Quality

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Community Services & Environmental Quality

Park Bond Proposals – June 2018 Ballot

AB 18 (E. Garcia) California Clean Water, Climate, Coastal Protection and Outdoor Access for All Act of 2018.

League Position: Support

- ✓ \$3.105 billion bond primarily dedicated to parks

SB 5 (de León) California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.

League Position: Watch

- ✓ \$3.5 billion bond for parks, drought and drinking water, flood protection.

Key difference: per capita allocation to cities and counties: AB 18 dedicates \$425 million, SB 5 dedicated \$200 million.

Questions?



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Governance, Transparency & Labor Relations

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Governance, Transparency, and Labor Relations

AB 22 (Bonta) Cloud Based Storage

League Position: Support/ Sponsor

- ✓ AB 22 provides an alternative means for record preservation by allowing local and state governments to store permanent and nonpermanent records using a commercial cloud-based archival storage service. The benefits of transitioning to the cloud include:
 - Immediate budgetary relief. Cloud-based storage costs are minimal compared to current preservation methods.
 - Easier administration of PRA requests by improving responsiveness and promoting increased access and transparency.

Governance, Transparency, and Labor Relations

AB 1479 (Bonta) Public Records Act: Custodian of Records

League Position: Oppose

- ✓ Mandates that there be one person or department as the "Custodian of Records" to be the point person for all CPRA requests and responses.
- ✓ Adds a new civil penalty to the CPRA which could be assessed at \$5,000 per violation .

Governance, Transparency, and Labor Relations

Recap of CalPERS Informational Hearing

- ✓ League staff asked to testify regarding cities forming Joint Powers Authorities (JPA's) in which those JPA's contract with CalPERS for benefits.
- ✓ **Potential Legislation:**
 - Establish timeframes from employer's intent to finalizing voluntary terminations and require employers to notify past and present employees of their intention to terminate.
 - Require new contracting JPA member agencies to be joint and severally liable for the JPA's pension obligations and allow the Board to refuse to contract with a JPA whose members are not liable.

Transportation & Public Works

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Transportation, Communication, and Public Works

SB 649 (Hueso) Wireless Telecommunications Facilities

League Position: Oppose

- ✓ This bill would unprecedentedly take away a city/county's full discretionary review and ability to lease at market rate their available public property within and outside of the public right-of-way, especially as it applies to vertical infrastructure such as street lights and traffic lights, for the installation of "small-cell" wireless equipment as large as 6 cubic feet for antennas and 21 cubic feet of its associated equipment on each pole, with no amount or size limitations for additional ancillary equipment.

Transportation, Communication, and Public Works

AB 1069 (Low) Local Government. Taxicab Transportation Services

League Position: None

- ✓ This bill would shift all regulatory authority over the taxicab industry away from cities and over to the counties. The bill would also impose additional limitations on a county's ability to regulate fares use of GPS technology to pick up passengers. Under AB 1069, counties may shift regulatory authority over to the largest city upon mutual agreement.

Revenue and Taxation

SB 182 (Bradford) Business Licenses (Uber/Lyft) Transportation Network Companies

League Position: Oppose

- ✓ Prohibits local agencies from requiring drivers associated with transportation network companies (TNCs) to obtain a business license to operate, unless it is the location where they live.

Questions?

Public Safety

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Public Safety

AB 1168 (Gipson) Gambling Moratorium

League Position: **Oppose Unless Amended**

- ✓ Extends by 10 years a total moratorium on expansion of legal gaming
- ✓ Threatens fiscal harm to cities seeking revenue sources
- ✓ Limits local land use and police powers
- ✓ We are seeking amendments to allow cities currently hosting card rooms to expand operating hours and number of tables

Public Safety

AB 1408 (Calderon) Crimes: Supervision

League Position: Support

- ✓ Increases offender data available to local law enforcement for offenders under post-release community supervision
- ✓ Mandates Parole Board to take entire criminal history into consideration in weighing whether to grant parole
- ✓ Requires modification/revocation of community supervision for multiple violations – interim sanctions prohibited

Revenue and Taxation

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Revenue and Taxation

AB 804 (C. Garcia) Controller Audits: Internal Controls

League Position: Oppose (Seeking Amendments)

- ✓ Authorizes the State Controller to audit any local agency for the purposes of determining whether the agency's internal controls are adequate to detect and prevent financial errors and fraud.
- ✓ Concern exists for many local agency that have audits already completed by certified CPA's, having their internal controls inappropriately second-guessed against one-size-fits-all criteria

Revenue and Taxation

ACA 4 (Aguiar-Curry) 55% Local Vote Threshold for Affordable Housing and Infrastructure

League Position: Support

- ✓ Lowers to 55 percent the voter-approval threshold for cities and counties to fund critical public infrastructure and affordable housing.

Questions?



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Thank You!

For more information on legislative language, the League's position letters, and sample position letters for cities, please visit www.cacities.org/billsearch and type the bill number into the search function



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