

2019 Legislative Action Day

The 2019 Legislative Session is shaping up to be incredibly active in many policy areas, particularly with regard to housing and local land use authority. More than 2,700 bills are pending in the Legislature. Over 200 of these bills pertain to housing and nearly two dozen would have significant impact on local land use authority.

Governor Gavin Newsom has also made tackling the lack of housing production and housing affordability a top priority and has stated on numerous occasions that he will oversee the production of 3.5 million new housing units by 2025. To achieve this production goal, developers would need to construct roughly 500,000 units per year—nearly five times the average production (112,000 units) in recent years.

The Governor believes that housing is a fundamental human need and critical to the state's economy; he advocates for bold action to move the needle on production. He has proposed to tackle this issue on multiple fronts by proposing more funding in his budget for affordable housing, threatening to sue local jurisdictions out of compliance with state housing laws, and offering new financial incentives for local jurisdictions that plan and produce housing while proposing to penalize those that fall short of state goals by shifting local street and road funds to other jurisdictions.

Priority Bills – OPPOSE

SB 50 (Wiener) More HOMES Act (Housing, Opportunity, Mobility, and Stability)

This measure would, at the request of a developer, require upzoning around existing rail stations and ferry terminals (up to 55ft.), and greater housing density at bus stops along high-quality bus corridors with frequent service, and in communities with close proximity to jobs and high-quality public schools. HCD and the Governor's Office of Research (OPR) will determine proximity to jobs and high-quality public schools.

Key Messages:

- While we agree that more density around certain transit stops makes sense, SB 50 is too blunt of an instrument, and greatly limits local government officials' and community members' ability to shape development around transit.
- SB 50 gives developers, who are unaccountable at the local level, the power to exempt themselves from locally developed and adopted building height limitations, densities, parking requirements, and limits design review standards.
- SB 50 allows developers to take advantage of SB 35 streamlining and avoid CEQA and its required public engagement process on sites that meet SB 35 criteria.
- It works at cross-purposes with the state's environmental goals by also allowing developers to opt to build housing near transit at lower densities than zoned and desired by local agencies.
- It transfers local land use authority to state bureaucracies by letting them designate "high quality jobs-school areas" and effectively rezone the affected areas without due process for affected landowners and residents.

SB 330 (Skinner) Housing Crisis Act of 2019

This measure would, until 2030, prohibit a city from downzoning; imposing parking requirements; increasing impact fees; applying any fees to affordable housing; imposing a housing moratorium; imposing design standards that are more costly than those in effect in 2019; establishing a maximum number of conditional use permits; enforcing existing growth management ordinances.

Key Messages:

- SB 330 is an overreach by the state.
- Arbitrarily prohibiting parking requirements, freezing impact fees, prohibiting impact fees on affordable housing developments; and limited design review standards for a decade is extreme and will likely do little to increase housing production. Further, nothing in the bill guarantees that developers will pass any cost savings onto renters or homebuyers.
- SB 330 would even prohibit a city from establishing a new inclusionary housing ordinance to help construct affordable housing.

Other Bills of Interest

Planning and Zoning

AB 1279 (Bloom) High Resource Areas

Requires HCD to determine “high-resource areas”, areas of high opportunity and low residential density not experiencing displacement or gentrification. In these areas, cities would be required to approve, by-right, up to 100 units and 55 ft, if the project meets affordability requirements and site limitations.

Position Taken: Pending – Oppose Unless Amended

AB 1763 (Chiu) Density Bonus. Affordable Housing

Requires an 80% density bonus to be provided to a developer who agrees to construct a housing development in which 100% of the total units are for lower income households. AB 1763 would also require that a housing development receive four incentives or concessions under the Density Bonus Law.

Position Taken: Oppose Unless Amended

SB 4 (McGuire) Housing

Authorizes up to fourplexes to be built by-right on vacant lots in single-family neighborhoods; requires TOD heights one-story above existing heights; based on city population.

Position Taken: Pending – Oppose Unless Amended

Impact Fees

AB 1484 (Grayson) Fees. Reporting

Prohibits a local agency from imposing a fee unless the type and amount of the exaction is identified on the agency’s website at the time the development application is deemed complete. This effectively eliminates fees related to the specific impacts of a project, and freezes impact and development fees for two years after application is deemed complete.

Position Taken: Oppose Unless Amended

Accessory Dwelling Units (ADUs)

SB 13 (Wieckowski) ADU

Prohibits local jurisdictions from imposing any impact fees on ADUs less than 750 square feet, and limit the charge on ADUs over 750 square feet to 25 percent of the fees otherwise charged for a new single-family dwelling on the same lot. Further, prohibits replacement parking when a garage, carport, or covered parking structure is demolished or converted into an ADU, and also prohibits owner-occupancy requirements.

Position Taken: Oppose Unless Amended

Tenant Protections

AB 53 (Jones-Sawyer) Rental Housing Discrimination

Prohibits landlords from asking about certain information, including criminal history.

Position Taken: Pending – Support if Amended

AB 1110 (Friedman) Rent Increases: Noticing

Expands existing notice requirements to 120 days if the rent increase is more than 15%.

Position Taken: Pending - Support

SB 18 (Skinner) Keep Californians Housed Act

Requires HCD to develop and publish a guide to all state laws pertaining to landlords and landlord-tenant relationship, and allocates funds to the California Emergency Solutions and Housing Program to support local governments and nonprofit organizations rental assistance and housing relocation and stabilization programs.

Position Taken: Pending – Support

SB 329 (Mitchell) Discrimination: Housing: Source of Income

Expands the “source of income” definition to include state, federal, or local funds, and housing vouchers.

Position Taken: Pending – Support

The Governor's FY 19-10 Budget Proposal was unveiled in January and proposes \$144 billion in General Fund Spending. The various elements are currently being reviewed by Legislative Budget Sub Committees, with another round of revisions expected in the May Revise.

Key Areas of Interest for Cities:

- **Securing Workable Revisions to Planning/Incentive Trailer Bill:** The Governor is proposing to allocate \$750 million to local agencies, of which \$250 million would be for enhanced planning for housing and \$500 million dispersed as rewards for achieving various "milestones."

While the League has significant concerns with the proposed initial language – which included the state allocating hundreds of thousands of additional housing units directly to cities and empowering regional agencies with more supervisory authority as enforcers of state policy, and tying performance to the receipt of local SB 1 Street and Road Funds – recent discussions with the Administration have been encouraging. The League and CalCOG have jointly advocated for a better approach that would build off the existing RHNA process and foster continued collaborative relationships between local agencies. On transportation funding, the Administration may be shifting more toward making housing element compliance a condition of eligibility for various discretionary transportation planning funds.

Key Message: City officials support additional funds to assist with local housing planning efforts and financial rewards, but it's important that any such program be workable for cities and not establish unrealistic conditions. No tie to SB 1 should be considered as that breaks faith with commitments made to voters.

- **Supporting Additional Funding For Housing Development:** Cities support the Governor's proposals to provide additional resources to build affordable housing, which include:
 - Increasing the annual amount of available affordable housing tax credits from \$85 to \$500 million.
 - Allocating \$500 million for moderate income housing development.

Key Message: With the loss of redevelopment, there has been little funding available for building affordable units. We appreciate the Governor's focus on establishing a major ongoing allocation of tax credits and making sure affordable workforce housing gets built.

- **Supporting Additional Emergency Homeless Housing Funds for Cities:** Cities support the Governor's proposal to allocate an additional \$500 million in additional funds for cities to help put roofs over the heads of the people without housing in our streets.

Key Message: The funds need to be allocated directly to cities so that they can put them to use quickly.

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SB 5 (Beall/McGuire) Affordable Housing and Community Development Investment Program

League Position: Support

Key Elements

- \$200 million initially, ramps up to \$2 billion annually by 2029. These financial commitments allocated to projects would be a bondable funding stream of property tax for up to 30 years. During the ramp up, new awards can be suspended when the Legislature uses the “Rainy Day Fund” or suspends Prop. 98 school funding guarantee.
- Schools will be made whole. No impact to Prop 98.
- Strong priorities for affordable housing.
- Anti-tenant displacement provisions.
- Opt-in: No taxing entities are forced to participate.
- 12% rural city/county set aside for counties of less than 200K.
- Prevailing wage and skilled and trained workforce requirements.
- Limits communities that have violated various state housing laws to only accessing funds for housing, transit-oriented development and infill purposes, not developments aimed at addressing sea level rise and promoting strong neighborhoods.
- Strong state oversight.

Overview:

- The Program creates a state investment program support the development of affordable housing, reduce poverty and advance other state priorities financed, in part, by property tax increment. A city, county, or JPA, that has a financial commitment to a plan, is eligible for a portion of the school share of property tax if the plan that includes affordable housing. Eligible uses include:
 - Predevelopment, development, acquisition, rehabilitation, and preservation of affordable housing for households up to 120% area median income. At least 50 percent of program funds, and 50% of funding for each project funded shall be dedicated to affordable housing. A 30% inclusionary requirement applies for housing units constructed pursuant to the plan.
 - Transit-oriented development in priority locations that maximize density and transit use, and contribute to the reduction of vehicle miles traveled and greenhouse gas emissions.
 - Infill development by new construction and rehabilitation of infrastructure that supports high density, affordable, and mixed income housing in locations designated for infill, including, but not limited to park creation and rehabilitation, water, sewer and other public infrastructure costs, transportation improvement and traffic mitigation.
 - Promoting strong neighborhoods through supporting of local community planning and engagement efforts to revitalize and restore neighborhoods, including repairing infrastructure and parks, rehabilitating and building housing, promoting public-private partnerships, supporting small businesses and job growth for affected residents.
 - Protecting communities dealing with the effects of sea level rise.
 - Acquisition, construction or rehabilitation of land or property to support eligible uses.

State Oversight:

- Creates the nine-member Affordable Housing and Community Development Investment Committee which shall be comprised of the following: Chair of the Strategic Growth Council; Chair of the State Infrastructure and Economic Development Bank; Chair of California Workforce Investment Board; Director of the California Housing and Community Development Department; two people appointed by the Speaker of the Assembly; two people appointed by the Senate Rules Committee; and one public member appointed by the Joint Legislative Budget Committee with expertise in education finance. The Committee is empowered to review and approve or disapprove proposed projects. The Department of Housing and Community

Development provides staffing and technical support to the committee. Numerous reports are required to be filed by successful applicants.

Other Major Pending Economic Development Proposals:

ACA 1 (Aguiar-Curry) 55% Vote For Local Affordable Housing and Infrastructure Measures.

League Position: Support

Key Elements

- Proposes to place before the voters a proposal to reduce the local vote threshold for proposed local general obligation bonds, or enact or increase a local sales tax or parcel tax, to invest in infrastructure and affordable housing from 2/3rds to 55 percent. (Voters granted school construction this option in 2000)
- “Affordable housing” includes housing developments, or portions of housing developments that provide very low, low, moderate and workforce housing meeting state affordability definitions.
- “Public infrastructure” is defined to include, but not be limited to: water; water quality; sanitary sewer; treatment of wastewater or reduction of pollution from stormwater runoff; protection of property from impacts of sea level rise; parks and recreation facilities; open space; improvements to transit and streets and highways; flood control; broadband internet access service expansion in underserved areas; local hospital construction; public safety buildings or facilities, equipment related to fire suppression, emergency response equipment, or interoperable communications equipment for direct and exclusive use by fire, emergency response, police or sheriff personnel; and public library facilities.
- Provides specific requirements for voter protection, public notice, and financial accountability.

Other Pending Measures:

AB 11 (Chiu) Seeks to reestablish a community redevelopment tool. Allows a city or county, or two or more cities acting jointly, to form an Affordable Housing and Infrastructure Agency to fund projects such as infrastructure and affordable housing projects. 30% of tax increment must be deposited into low/moderate income housing fund.

League Position: Support in Concept

Key Elements

- Annual unspecified state commitment: At the discretion of the State Controller.
- Opt-in: No taxing entities are forced to participate.
- Schools will be made whole. No impact to Prop 98.
- Creates an economic development tool with similar powers as the old redevelopment agencies.
- Extensive upfront planning and costs required before a city or county can form an agency and receive project funding from the state.

AB 1259 (Luz Rivas) Seeks to establish a California New Markets Tax Credit with the goal of attracting additional investments from the federal program to the state.

League Position: Watch

AB 1717 (Friedman) Provides a tax increment financing mechanism to finance transit-oriented development.

League Position: Watch

SB 15 (Portantino) Allows local agencies to submit a request to the Department of Finance to receive a portion of local property tax that is otherwise dedicated to the Educational Revenue Augmentation Fund to fund affordable housing, build and maintain housing infrastructure, revitalize communities and build local public safety facilities. (*Similar in some respects to SB 5 (Beall)*)

League Position: Watch

SB 128 (Beall) Removes the existing 55 percent vote requirement from Enhanced Infrastructure Finance District (EIFD) bond issuance. May be a vehicle for additional changes to EIFDs.

League Position: Watch

Last year, the Legislature introduced 60 bills addressing disaster response and recovery. This year, approximately 80 disaster and emergency response bills were introduced. The Legislature is considering how to address the costs of disasters, and prepare and respond to catastrophic events.

Bills of Interest

- **AB 41 (Gallagher) Disaster relief: Camp Fire (Support)**
Requires the state to cover the local portion of the cleanup and repair costs associated with the Camp Fire.
- **AB 291 (Chu) Emergency Preparedness (Pending Support)**
Establishes a \$500 million statewide Local Emergency Preparedness and Hazard Mitigation fund to support staffing, planning, and other emergency mitigation priorities to help local governments meet emergency preparedness goals and boost local emergency preparedness programs throughout the state that remain underfunded or neglected.
- **AB 429 (Nazarian) Seismically Vulnerable Buildings: Inventory (Support)**
Requires the Alfred E. Alquist Seismic Safety Commission (SSC) to identify funding and develop a bidding process for hiring a third-party contractor to create an inventory of potentially vulnerable buildings.
- **SB 45 (Allen) Wildfire, Drought, and Flood Protection Bond Act of 2020 (Pending)**
Proposes to place a \$4.3 billion bond for wildfire, drought, and flood protection on the 2020 ballot. Grant funds would be available for local and state agencies.
- **SB 46 (Jackson) Emergency Services: Telecommunications (Support)**
Authorizes cities to obtain the contact information of its residents from their local public utility, or from their own public records, for purposes of enrolling residents into the local emergency alert warning system and only for that purpose.
- **SB 182 (Jackson) Local Government: Planning and Zoning: Wildfires (Pending)**
Imposes additional planning responsibilities on local governments, requires cities and counties to make specified findings prior to permitting development in very high fire hazard severity zones and other areas designated as the Wildland-Urban Interface.
- **SB 209 (Dodd) Wildfire: California Wildfire Warning Center: Weather Monitoring (Support)**
Establishes the California Wildfire Warning Center, to among other things, oversee the development and deployment of a statewide network of automated weather and environmental stations to monitor weather conditions that contribute to high wildfire risk.
- **SB 670 (McGuire) Telecommunications: Outages Affecting Public Safety (Support)**
Requires telecommunications providers to notify the California Office of Emergency Services (CalOES) of 911 service or emergency warning outages.

Liability for Utility-Caused Wildfires: Inverse Condemnation

On Friday April 12, the Governor released the “Wildfires and Climate Change: California’s Energy Future” report. This report outlines steps the state can take to reduce the incidence and severity of wildfires, including renewing the state’s commitment to clean energy and actions to hold the state’s utilities accountable, while recommending changes to stabilize California’s utilities to meet the energy needs of California. Within this report, Governor Newsom identifies three potential concepts for allocating responsibility for wildfire costs, including:

- 1) A liquidity-only fund that would provide liquidity for utilities to pay wildfire damage claims pending CPUC determination of cost recovery potentially coupled with modification of cost recovery standards;
- 2) Modifying the Constitutional inverse condemnation standard to a fault-based standard;
- 3) Creation of a catastrophic wildfire fund coupled with a revised cost recovery standard to spread the cost of catastrophic wildfires more broadly among stakeholders.

While the report does not endorse any of the concepts, the League along with other local government, insurers, and fire victims’ groups strongly believe that the current constitutionally protected liability standard

under inverse condemnation is one of the very best tools to decrease the risk of catastrophic wildfires. It incentivizes safety and facilitates actions that reduce wildfire risk as we adapt to our changing environment and become more resilient.

Action: Urge legislators to oppose any changes to the inverse condemnation standard. Inverse condemnation incentivizes public and private utilities to focus on safety and requires them to pay damages to fire victims, including residents and local governments that suffer losses resulting from a utility fire.

Governor's Proposal FY 2019-20 Budget – Disaster and Emergency Preparedness

The Governor has proposed \$415 million in funding for emergency preparedness and response for fiscal year 2019-20 budget. Of the \$415 million, \$305 million is new funding for emergency planning. The remaining \$110 million would be carried over from last year, and one-time funding repeated from last year's appropriations.

Major program changes include:

- Increasing Fire Prevention – \$213.6 million to (1) complete more fuel reduction projects through the operation of prescribed fire crews and grants for forest health projects, (2) implement the recently enacted wildfire prevention and recovery legislative package, which streamlines regulatory barriers for fuel reduction projects, and (3) dispose of illegal and dangerous fireworks.
- Enhancing Aviation Resources – \$120.8 million to add aircraft with increased tactical capabilities to the California Department of Forestry and Fire Protection (CAL FIRE)'s aviation fleet to meet the challenges associated with more severe wildfire activity.
- Expanding Firefighting Surge Capacity – \$64.4 million to enhance CAL FIRE's fire protection capabilities, including resources to (1) add 13 new year-round fire engines in highest fire risk areas, (2) expand heavy fire equipment operator staffing during emergency wildfire events, (3) accelerate the replacement of fire engines and other mobile equipment, and (4) operate five additional CAL FIRE/California Conservation Corps fire crews.
- Supporting Emergency Responders – \$6.6 million to expand CAL FIRE's health and wellness program and to provide medical and psychological services, as well as peer support, to firefighters.
- Improving Use of Technology – 9.7 million for (1) dedicated staff to review data gathered via remote sensing technology, which will support CAL FIRE's incident commanders, and (2) 100 additional fire detection cameras that will be linked into the existing command centers.

Action: Urge legislators to support the Governor's budget proposals that increase funds for disaster and emergency response.

The Collapse of California Recycling Markets:

For decades, California sold the vast majority of its recyclable materials to China. In 2017, however, China banned the importing of certain recyclables, including postconsumer mixed plastics, unsorted mixed paper, textiles, and more through the adoption of its “National Sword” policy. Subsequently in 2018, China adopted the “Blue Sky” policy that imposes tougher import contamination standards, as well as stringent inspection and enforcement measures for the recyclable materials they continue to import. Additionally, in late 2018, China announced its intent to ban all imports of recyclable materials by 2020. The combination of these policies has collapsed the recyclable materials market in California.

Legislative Context:

The Legislature is beginning to grapple with the existential threat to California’s recycling programs by introducing several bills to address various aspects of this issue. Many legislators, however, are still not fully aware of this issue. Make sure you discuss your city’s challenges with recycling and solid waste programs and illustrate how these issues are impacting your community. Many of the recycling and solid waste bills are still under development as they move through the legislative process, so expect more information on these bills to develop as the session goes on.

Bills of Interest:

- **SB 54 (Allen) & AB 1080 (Gonzalez)**, California Circular Economy and Plastic Pollution Reduction Act. **(Pending Support)**
These identical bills require manufacturers to source reduce 75% of single use plastic packaging and products sold in California by 2030, and require all single use plastics and packaging sold in the state recyclable or compostable by 2030. They also require CalRecycle to develop a scoping plan to achieve this goal, including consulting with stakeholders. The League’s Environmental Quality policy committee recommended a support position, which is now pending League Board approval.
- **SB 667 (Hueso)** Greenhouse Gases: Recycling Infrastructure and Facilities. **(Support)**
Requires CalRecycle to do several things, including: 1) develop, on or before January 1, 2021, a five-year investment strategy to drive innovation, 2) support technological development and infrastructure, in order to meet the state’s 2025 organic waste reduction target, and 3) identify priorities and strategies for financial incentive mechanisms.
- **AB 1583 (Eggman)** The California Recycling Market Development Act. **(Watch)**
Creates the California Recycling Market Development Act which would: 1) establish a paper recycling incentive program that makes incentive payments to in-state processors of waste paper, 2) establish an organic waste recycling incentive program that makes incentive payments to in-state organic waste recycling facilities that process organic waste collected from municipal sources, and 3) require CalRecycle to, by July 1, 2020, convene a Statewide Commission on Recycling Markets and Curbside Recycling consisting of representatives of public agencies, private solid waste enterprises, and environmental organizations to identify products that are recyclable and compostable. This bill is still being developed, and the League will monitor the bill as it moves forward.

SB 1383 (Lara, 2016) Regulations – Organic Waste Diversion Mandates:

In September 2016, Governor Brown signed SB 1383 (Lara, Chapter 395, Statutes of 2016), establishing methane emissions reduction targets in a statewide effort to reduce emissions of short-lived climate pollutants. SB 1383 establishes 50% reduction targets from the 2014 level by 2020, and a 75% reduction by 2025, to remove organic waste methane emissions into the atmosphere. To meet these statewide targets, local governments will need to dramatically change the way they collect and haul organic waste. CalRecycle issued proposed regulations in January 2019 that place new heavy regulations on local government on how to comply, with no associated state funding to implement these targets.

Budget Ask:

The League, along with a large group of local government, environmental, and industry members have asked for \$100 million from the Greenhouse Gas Reduction Fund for CalRecycle to fund organic waste infrastructure. California lacks the organic waste infrastructure to appropriately handle the SB 1383 mandates. The state must provide funding to help build this infrastructure or locals will face the possibility of failing to meet the statewide targets.

Action: Urge your legislators to support budget funding to build organic waste infrastructure which is critical to have any chance of meeting the ambitious statewide organic waste reduction mandates.

Priority Bills – OPPOSE

AB 1356 (Ting) Cannabis. Local Jurisdictions: Retail Commercial Cannabis Activity

This measure requires cities, whose majority voter electorate voted in favor of Prop 64, to adopt a local licensing structure for retail commercial cannabis activity. It further requires these cities to issue a minimum of one retail cannabis license for every four liquor licenses. The measure exempts only those jurisdictions that pass a local ballot measure to set a lower ratio or retail ban.

Key Points

- We oppose AB 1356 because it abolishes a city's local control to regulate cannabis activity. It completely subverts the intent of the voters who approved Proposition 64 by attempting to remove a local government's ability to approve retail cannabis shops at a different concentration level or prohibit them within its jurisdiction.
- AB 1356 is arbitrary and bad public policy. Attempting to require cities to establish a 1-4 ratio of local retail cannabis licenses to liquor licenses, removes the ability for locals to decide what is appropriate for their communities. Moreover, there is no suggestion in the AUMA that the state has unilateral authority to impose such a requirement.
- This heavy-handed approach is similar to the recent regulatory effort to force cannabis deliveries anywhere in the state, despite any local limiting ordinance or prohibition that would otherwise restrict this commercial activity. That provision is being litigated and will likely soon be overturned as a violation of Prop. 64.
- This kind of proposal justifies the skepticism that many jurisdictions have had with the ability of the state to resist the lobbying efforts of the influential cannabis industry and administer Prop 64 consistent with the intent of the voters.

AB 392 (Weber) Peace Officers. Deadly Force.

This measure would establish an entirely new and subjective legal standard, based on hindsight, for evaluating and holding officers criminally liable for using force when responding to life-or-death situations. The measure would also introduce for officers, the notion of criminal negligence without a definition.

Key Points

- The subjective legal standard AB 392 seeks to implement will have a chilling effect on the men and women in uniform by undermining their ability to respond to life-or-death situations – creating new challenges that would threaten the safety of families, communities and officers themselves. Moreover, the bill does not provide any additional funding for training, nor does it put in place any proactive measures to reduce the use of force.
- We believe, however, SB 230 (Caballero) represents a better approach to the issue. In brief, SB 230 would: 1) refine the circumstances by which an officer could discharge their weapon in alignment with U.S. Supreme Court decisions, 2) require all law enforcement agencies to establish a comprehensive policy on Use of Force, 3) require this written policy to be made accessible to the public, and 4) emphasize officer training and education through coursework prepared by the well-established Commission on POST.

Priority Bills - SUPPORT

SB 230 (Caballero) Peace Officers. Deadly Force

Summary and Purpose: SB 230 takes a comprehensive approach toward reducing the need for public safety officers to use deadly force as they perform their duties. The measure ensures robust officer training and education, reaffirms a commitment to protecting the sanctity of life, and sets a clear legal standard for the use of force.

- Updates and refines California's requirements for employing deadly force when confronting a fleeing felon to meet the standards set by U.S. Supreme Court case law.
- Requires all law enforcement agencies in the state to maintain a policy on Use of Force
- Requires the use of force policy to include provisions that provide comprehensive and clear guidelines on topics including, but not limited to utilizing de-escalation tactics, alternatives to deadly force, rendering medical aid, an officer's duty to intercede when observing excessive use of force by another officer and interacting with vulnerable populations.
- Requires all law enforcement agencies to make their Use of Force policy accessible to the public.
- Standardizes California law enforcement's use of force training and education through coursework developed by the Commission on POST to ensure coverage of critical topics, including but not limited to de-escalation, rendering medical aid and dealing with vulnerable populations.

AB 1417 (Rubio) Cannabis Advertisement and Marketing: Unfair Business Practice: Public Nuisance.

Summary & Purpose: AB 1417 seeks to discourage the advertisement of unlicensed and illegal cannabis operations by subjecting violators to civil penalties.

- Provides that an advertisement of cannabis goods that does not contain an active state license number is an unfair business practice and subject to a civil action by any person.
- Allows for the imposition of a civil penalty of up to \$2,500 per day on any person who violates the above-stated requirement.
- Authorizes the Attorney General, a district attorney, a city attorney or prosecutor, or a person in the public interest to bring a civil action for the civil penalty.
- Requires digital advertising platforms specializing in cannabis to publish a notice regarding the risks of purchasing cannabis products from unlicensed entities

SB 658 (Bradford) Cannabis Retail Business Emblem: Track and Trace.

Summary & Purpose: SB 658 seeks to distinguish between licensed and unlicensed retail cannabis operations as a tool to assist local enforcement efforts against illicit operators.

- Requires the Bureau of Cannabis Control (BCC) to establish a cannabis retail business emblem, and to begin issuing said emblem to each retail licensee beginning on January 1, 2020.
- Requires retail licensees to post the emblem in a location that is clearly visible to both the general public and patrons entering the facility.
- Requires employees of authorized delivery operators to carry the emblem when delivering cannabis or cannabis products

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2019 Legislation Seeking to Limit Local Flexibility and Add Costs

Given the current financial circumstances facing cities, the League is actively advocating in opposition to measures that will increase local pension payments, mandated costs and restrict administrative flexibility—all of which reduce service levels and quality of life across the state.

Election Overhaul Will Lead to Hundreds of Millions of Dollars of Unfunded Mandates

AB 849 (Bonta) Elections and Redistricting Requirements

Local agencies continue to strive to increase civic participation by finding innovative ways to engage the community. Each California community is different—each with their own unique challenges. AB 849 is a one size fits all approach that completely overhauls the way in which local agencies establish and modify their electoral districts. Specifically, AB 849:

- Overhauls all of the current criteria on how maps are drawn and adjusted, creating compliance challenges for local agencies;
- Requires up to 6 additional public hearings on how maps are drawn or adjusted;
- Mandates that all materials are published and made available in every applicable language as determined by the Census;
- Requires that live translation services be made available for all applicable languages as well as all minutes of each meeting be translated in all applicable languages;
- Mandates that meetings be held at nights and on the weekends;
- Requires that all agendas and notices for each of the public meetings be posted five days prior to a meeting – exceeding Brown Act requirements;
- Requires that all original draft maps be posted seven days prior to a meeting – exceeding Brown Act requirements;
- Should maps be adjusted, those maps must be reposted seven days prior to the next meeting – exceeding Brown Act requirements; and
- Requires that the agency post all information and host said information for 10 years on their website.

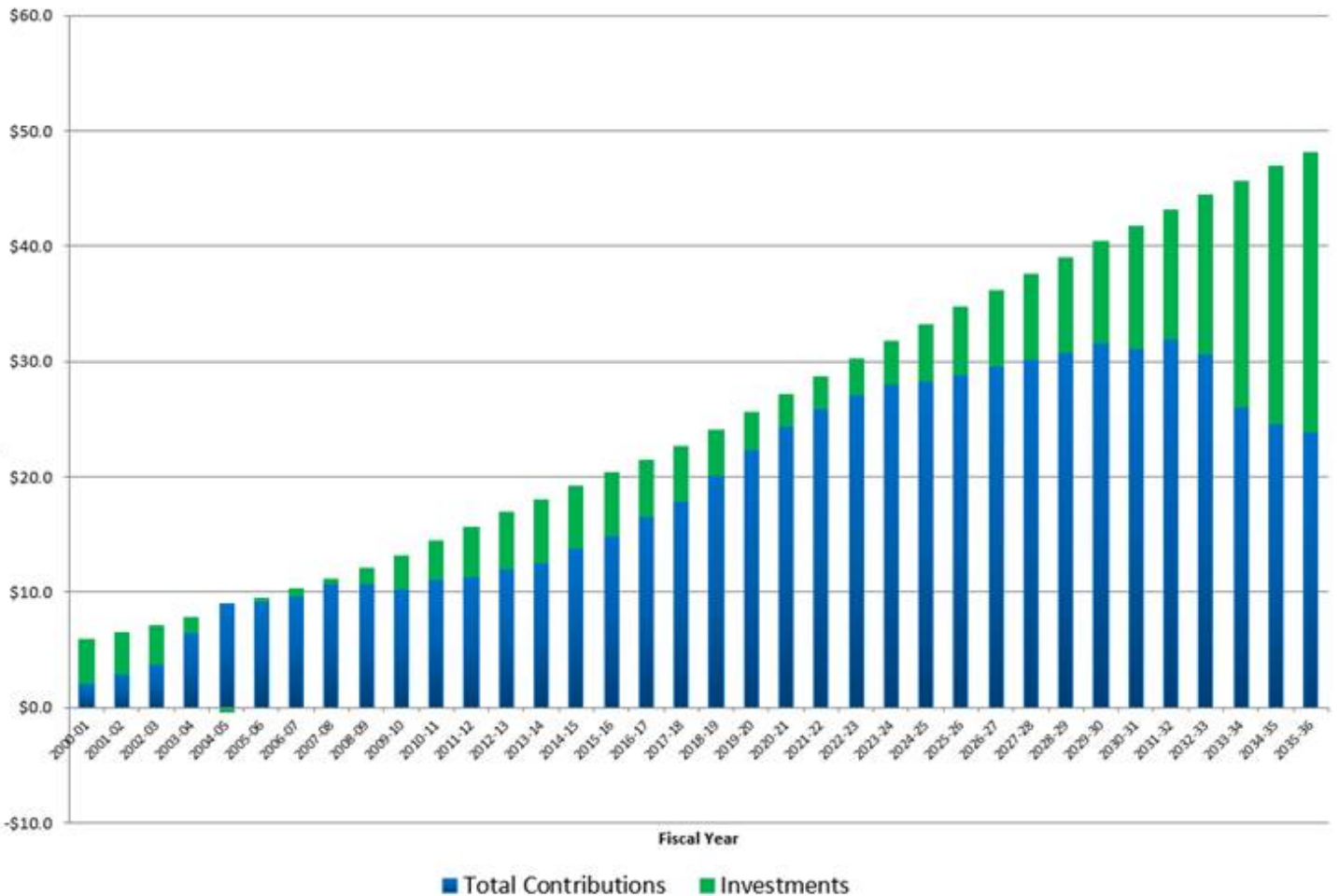
While we understand the need to continue to engage with our communities to ensure equitable representation—AB 849 will lead to hundreds of millions of dollars in unfunded or suspended state mandates which will have a direct impact on city services.

League Position: Oppose

Soaring Retirement Costs Continue to Crowd out Public Services

The League remains steadfast in its advocacy for policies that promote and support local governments in their work to maintain sustainable and healthy finances—as good stewards of taxpayer dollars. Retirement related costs have sky rocketed—far outpacing revenues received. Over the past decade, pension expenses have increased substantively for municipal governments across California. As CalPERS continues to implement its strategic goal of improving the long-term sustainability of the system, all actions to further reduce risk have resulted in increased costs to state and local agencies. **As shown on the chart (over) provided by CalPERS, contributions are rapidly increasing now and will continue to increase year over year, peaking in 2032 (blue bar equals contribution increases, green bar equals investment returns).** As such, the League must remain opposed to all measures that seek to increase unfunded retirement liabilities and create investment barriers for the CalPERS investment team.

Historical & Projected PERF Contributions & Investments for Benefit Payments



CalPERS Divestment Measures: Divestment measures are intently difficult and politically sensitive topics. The League does not oppose divestment measures based on the merit of the cause which is being debated—rather our objection is rooted in securing the retirement stability of 1.9 million active and retired California public employees. Simply stated, divestment does not prove to be an effective vehicle for social or corporate change. To date, CalPERS estimates that divestitures have cost the fund roughly *\$10 billion dollars* in unrealized returns—and that number continues to grow. To cover the losses, employer and employee contributions have risen and CalPERS continues to liquidate valuable assets to pay the bills. The following measures call for additional divestments:

AB 33 (Bonta) Public Employee Retirement Systems: Prohibited Investments: Private Prison Companies

This measure would require the pension fund to divest from the private prison industry. The CalPERS Board recently adopted an oppose position on AB 33.

League Position: Oppose

AB 1320 (Nazarian) Public Employee Retirement Systems: Prohibited Investments: Turkey

This measure would require the pension fund to divest from the Republic of Turkey until such time that they acknowledge the Arminian genocide. The CalPERS Board recently adopted an oppose position on AB 1320.

League Position: Oppose