

GOVERNANCE, TRANSPARENCY, AND LABOR RELATIONS POLICY COMMITTEE HIGHLIGHTS Thursday, June 4, 2020 ZOOM

Governance, Transparency, and Labor Relations Policy Committee Slides

Staff: Bijan Mehryar, Legislative Representative, League of California Cities Caroline Cirrincione, Legislative Policy Analyst, League of California Cities

General Briefing:

In accordance with the customary practice of convening all policy committee members for a general briefing prior to the start of policy committee meetings, the League advocacy team compiled a <u>General Briefing Update Document</u>, which includes the latest on federal and state legislative matters affecting cities within their respective policy areas.

I. Welcome and Introductions

League President John Dunbar, Mayor, Yountville, welcomed everyone to the second installment of virtual policy committee meetings. He thanked all of the Policy Committee members for the extra effort they give on behalf of California's cities. President Dunbar explained it is a challenging time for cities as they incur significant expenses associated with the public health crisis. He highlighted that the League is calling on state and federal governments to provide direct and flexible funding to all cities, and will be advocating for resources needed to respond to, and recover from, this pandemic.

President Dunbar also addressed the brutal death of George Floyd. He explained that as local leaders, everyone has the power – and responsibility – to confront the underlying racism and civil injustice still present within communities. He said the League would be setting aside time during each policy committee meeting to talk about two key questions on equity and justice. The first question was, "In order to help city leaders focus on equity and justice in our communities, what specific policy issues should we advance in your committee?" The second question was, "What resources do cities need to respond to what is happening in our communities?" President Dunbar explained that the discussions generated by these questions would help inform the League's work in the coming weeks and months to provide the support necessary to make real and positive changes.

President Dunbar introduced Carolyn Coleman, League Executive Director.

Ms. Coleman thanked everyone for leading in one of the most challenging times in recent history. She explained that California's cities have been models for the nation, and their actions in response to COVID-19 have saved lives. Ms. Coleman said that besides developing policy recommendations on ballot measures and legislation, the League is asking the policy committees to have a discussion on President Dunbar's two key questions related to equity and justice. Ms. Coleman highlighted that without the committee members' engagement, the League wouldn't be the strong organization it is.

Chair Jess Talamantes, Council Member, Burbank, and Vice Chair George Harris, Director of Finance, City of Lancaster welcomed committee members and provided an introduction.

II. Public Comment

Chair Talamantes asked if there was any public comment. There was no public comment.

III. COVID-19 Update

League staff provided a COVID-19 update, which highlighted resources such as the League's COVID-19 dedicated webpage, email, and webinar series. League staff also gave an overview of the potential impacts that COVID-19 may have on key state legislative and budget deadlines. Notably, COVID-19 response and recovery, along with issues such as housing, homelessness, public safety, and wildfires, will likely continue to be legislative priorities for this session, while other legislative priorities may be delayed until next session.

League staff provided an overview of the League's <u>Support Local Recovery</u> campaign. This highlighted the campaign's goals, which includes securing \$7 billion from the state government and \$500 billion from the federal government in direct and flexible funding to support critical city services. League staff also provided some key takeaways from League's fiscal analysis, which illustrate that all cities, regardless of size and geography, are being impacted by COVID-19, with over 90 percent of cities reporting that they are considering cutting/furloughing city staff or reducing public services. The League continues to work closely with its federal lobbying team and the National League of Cities regarding a potential fourth stimulus package.

Additionally, Chair Talamantes provided an opportunity for committee members to have a COVID-19 roundtable discussion. During the course of this conversation, a committee member asked for an overview of the CARES Act funding allocation for cities detailed in the Legislature's proposed budget. Another committee member asked what other cities are doing to address fall flu season, and wondered how flu season will impact the COVID-19 response. Committee members highlighted the importance of getting the flu shot and working with local health departments.

IV. Budget Update

League staff provided an update on the Governor's May Revision proposed budget. The budget proposal has been scaled down to \$203 billion from the \$222.2 billion proposed in January. The focus of the budget is the protection of California's core values: public education; public health; public safety; and, people hit hardest by COVID-19. The May Revision proposes to use \$16.2 billion in the Budget Stabilization Account (Rainy Day Fund) over three years. The League's budget analysis can be found here.

V. Legislative Update

Chair Talamantes introduced Bijan Mehryar, Legislative Representative, League of California Cities, to provide a legislative update on bills of interest to the Governance, Transparency, and Labor Relations Policy Committee. Mr. Mehryar began by addressing bills covered in the April policy committee meeting that are not moving forward this legislative session in light of a consolidated legislative calendar due to COVID-19. He provided an overview of several key pieces of legislation that are continuing to move through the legislative process related to workers' compensation, employee leave, and employee information.

VI. CalPERS Update

Mr. Mehryar explained that earlier in the day, he had been in a CalPERS meeting and wanted to provide an update to the committee. Mr. Mehryar said that while CalPERS investments are not as substantial as projected in January, the situation is not as dire as originally thought in March and April. He explained that CalPERS has recovered about \$70 billion in revenue loss, meaning there will be a positive investment return, though far short of investment targets. Mr. Mehryar also highlighted that the League, along with other local government associations, requested CalPERS not take formal action on Common Law regulations until 2021 to allow for stakeholder engagement that has been impacted due to the COVID-19 pandemic. CalPERS agreed to this request. Lastly, Mr. Mehryar explained CalPERS will have a largescale employer-focused webinar in July.

VII. Legislative Agenda

Mr. Mehryar then turned to the committee's legislative action item, <u>ACA 5</u> (Weber), a proposed constitutional amendment to repeal Section 31 of Article I of the California Constitution, which was added by Proposition 209. He explained that if approved, ACA 5 would repeal the prohibition against cities discriminating or giving preferential treatment with regards to public employment, public contracting, or public education based on race, sex, color, ethnicity, or national original.

Mr. Mehryar reminded the committee that when ACA 5 was discussed at the April meeting, the committee had directed him to return back in June with more information on the implications of ACA 5 on the education system. Mr. Mehryar said that for K-12 education, the two largest impacts of ACA 5 would be how the state administers its funding and how schools can conduct recruitment and retention of teachers from diverse backgrounds. In terms of higher education, Mr. Mehryar explained the largest impacts would be the UC and CSU systems ability to consider race as part of a holistic admissions policy, and the authority to create outreach and retention programs that target specific groups of students.

Upon the conclusion of Mr. Mehryar's overview, a robust discussion about ACA 5 ensued. Some committee members voiced concerns about repealing Proposition 209 without a clear replacement, while other members said the voters have the right to decide if they want to continue to have Proposition 209 or not. Some committee members highlighted the robust list of support for ACA 5. Another committee member said Proposition 209 is a failed policy, and removing it would open the door, allowing for more policy work in this space again. A motion was made to support ACA 5. The motion passed.

VIII. Equity and Justice Discussion

Chair Talamantes asked the committee to have a dialog about President Dunbar's two key questions related to equity and justice. The committee had a robust conversation, which generated many new ideas about what the League could do in this space. For example, a committee member suggested a policing best practices list that could be shared with League membership. Another committee member suggested the League consider a regional or statewide effort to bring together police, community members, and city staff to discuss policies that could be instituted related to equity and justice. Additionally, a member asked if the League could provide tips on internal communications about facilitating conversations on equity and justice within local governments that honor the work being done, while still making progress.

The committee also discussed how the Governance, Transparency, and Labor Relations Policy Committee specifically could address equity and justice issues. A member recommended discussing districting and what it accomplishes. The committee also talked about technology, especially the new technologies that are being utilized in light of COVID-19. This posed the question, who could possibly be disenfranchised if a lot of the technology we have adapted remains? And are local governments still providing engagement for everyone, specifically minorities, with these tools we are using?

Next Meeting: Staff will notify committee members after August 17 if the policy committee will be meeting in October.