I. State Budget and General Briefing

Jeff Slowey, Chair, League Revenue and Taxation Policy Committee, gave a brief introduction to the General Briefing Session. After his welcome, he introduced League President Jan Arbuckle, Council Member, Grass Valley, who welcomed everyone to the second round of policy committee meetings of the year. President Arbuckle then introduced Rich Garbarino, League Immediate Past President, Carolyn Coleman, League Executive Director, and acknowledged all of the League Partners in the room.

President Arbuckle then shared a highlight of the most recent League board meeting where the Board had the pleasure of meeting with newly elected Governor Gavin Newsom. Arbuckle stated that the Governor’s decision to visit the League Board of Directors and his willingness to stay for over an hour demonstrates the importance of our collective city voice. She encouraged everyone in the room to register for the League’s Legislative Action Day and remain engaged, then handed the meeting over to Carolyn Coleman.

Ms. Coleman thanked President Arbuckle for all of the hard work she dedicates to her role, and then emphasized the importance of the policy committees in developing the Leagues positions on key issues. She then introduced Dan Carrigg, League Deputy Executive Director and Legislative Director. The rest of the briefing was presented by the League’s legislative team.

Mr. Carrigg began by reinforcing the importance of showing up for Legislative Action Day and meeting with Assembly Members and Senators face to face. Mr. Carrigg then introduced the League’s fiscal advisor, Michael Coleman, to walk everyone through the State Budget update. Mr. Coleman briefly discussed the moderate growth of the economy, but acknowledged that there are some signs of a slowing economy, and stressed the importance of maintaining a balanced budget.

Mr. Carrigg then gave an overview of the political dynamics of having a new Governor, a Democratic legislative super majority, and longer legislative term limits. He said that legislators and interest groups are inclined to test Governor Newsom by sending him many bills Governor
Brown would not previously sign. This would be a year when we will all find out what the Governor is willing to say no to.

Mr. Carrigg went on to discuss two important economic development bills, SB 5 and AB 11. Both of these measures would reinvest the state into tax increment financing. A renewed investment would greatly improve opportunities for economic development and provide a great opportunity for the state to work with locals to accomplish shared state and local goals. Mr. Carrigg then referred to a hand out with a list of the current economic development tools currently available to cities. In addition, Mr. Carrigg discussed ACA 1 and several initiatives that have qualified for the ballot including the split roll, bail reform, and the Grocers and Police Chiefs criminal justice reform initiative. Then Mr. Carrigg introduced the League’s lobbyists to discuss their respective issue areas.

Jason Rhine, League Assistant Legislative Director, focused on the housing affordability and availability challenges throughout the state. Mr. Rhine noted that housing legislation is a high priority for the Governor, Legislature, and the League this year. He noted that if achieved, Governor Newsom’s goal of producing 3.5 million housing units by 2025 would create an unprecedented level of housing production in the state. Additionally, Mr. Rhine encouraged members to engage and advocate for legislation that will help local governments address their housing challenges while preserving appropriate local control.

Mr. Rhine also briefly discussed the Governor’s housing trailer bill proposal and a short list of bills of significant concern. This year, he said, housing related legislation touches on nearly every section of housing law before many of the laws enacted over the past two years have had time to be implemented. The League has been working closely with the Governor’s office and Legislators on the trailer bill language and the 200+ housing related bills introduced this legislative session.

Dane Hutchings, League Legislative Representative, briefed members on issues related to governance, transparency, and labor relations. Mr. Hutchings began by discussing the political realities in Sacramento surrounding employee relations legislation and then briefly discussed several bills regarding worker compensation and elections. Mr. Hutchings also highlighted AB 1332, which would significantly limit the ability for state and local agencies to cost-effectively contract for a variety of public services, create an ever-evolving blacklist of prohibited companies and create millions of dollars of unfunded mandates. Mr. Hutchings also briefly discussed the recent Cal Fire pension decision and its impact.

Charles Harvey, League Legislative Representative, gave an update on various public safety related issues including cannabis and cannabis deliveries, drones, police use of force, and gun legislation. On the topic of cannabis, Mr. Harvey discussed the legislative and expected judicial challenges of the recent Bureau of Cannabis Control regulations authorizing cannabis deliveries in any jurisdiction in the state. In addition, Mr. Harvey discussed AB 392 (Weber), the re-introduction of a police use-of-force bill from last year, which the League opposed, and SB 230 (Caballero) an alternative bill backed by police chiefs that the League would likely support.

Derek Dolfie, League Legislative Representative, highlighted evolving environmental and community issues that will be big in 2019. A major issue is organic waste diversion and the regulations that will implement a 50% reduction target coming out this summer. Mr. Dolfie also discussed various proposals that seek to provide clean water to California residents.
touched on bills regarding recycling, energy, disaster preparedness, storm water, aging, homelessness and tobacco use regulations.

Rony Berdugo, League Legislative Representative, discussed transportation, communications, and public works. Mr. Berdugo began by discussing the proposal to link SB 1 transportation dollars with housing production. The proposal was met with hostility by many legislators and Mr. Berdugo suggested that folks in the room speak to their legislator and tell them that this proposal should not move forward. Next, he discussed the FCC small cell order and how the League and others have attempted to push back against this in the courts and on the federal level. Finally, Mr. Berdugo discussed emergency alert legislation and disaster preparedness regarding seismic safety.

Lastly, Dan Carrigg briefly discussed issues related to revenue and taxation. Mr. Carrigg touched on the League’s support of AB 147 (Burke) which would implement the Wayfair decision in California and increase revenue for local governments, and discussed legislation that would limit sales tax agreements that shift revenue from other jurisdictions.

II. Welcome and Introductions
Members of the committee introduced themselves. The Chair thanked the members for their time and contributions.

III. Public Comment
Rony Berdugo shared the following announcements with the policy committee:
- The departure of Erin Evans-Fudem, the League’s EQ & CS lobbyist.
- The promotion of Derek Dolfie to the EQ/CS lobbying position.
- The upcoming Public Works Officers Institute in April.
- Updates to the TCPW policy committee webpage: (www.cacities.org/tcpw)

IV. 2019 Final TCPW Work Program
The committee unanimously approved adoption of the final 2019 Work Program as items for the committee to focus on for the year:
- Transit & Mobility Options – Scooters, Bikes, & Safety
- Small Cell Preemption Updates – Litigation, Regulation, & Legislation Updates
- Exploring the Road User Charge/Vehicle Miles Traveled Charge & how that will fund local streets and roads
- Monitor Community Choice Aggregation policies and proposals

V. FCC Order & Litigation Update
Chair Horvath introduced guest speaker, Tripp May, shareholder with Telecom Law Firm whom is representing the League of California Cities® in ongoing litigation against the FCC Order related to the oversight authority over small and macro wireless facilities. Mr. May explained how the FCC Order impacts cities, including restricting a city’s fee authority, design standards moving from subjective to objective standards, and the time to review and approve wireless facilities.

Mr. May also discussed H.R. 530 (Eshoo) which would overturn the FCC decision and its unlikely odds of passing out of Congress, but the importance for cities to support the legislation regardless. The committee raised questions about how the Order might affect ADA access on
sidewalks, the safety and structural integrity of streetlights and traffic signals to house wireless facilities, and the ability for cities to require new pole structures to house such facilities.

The Committee also inquired about the National League of Cities involvement in the litigation of which they are not currently involved in and whether cities can raise health concerns regarding the installation of such facilities. Mr. May opined that if cities are concerned about ADA access from wireless installations that their city ordinances should be updated to reflect those issues. Concern about the safety and structural integrity of the poles is still an open question and the limited review/approval time and the limits on fees pose challenges related to this concern. On the concerns related to health, it was made clear that the FCC has preempted cities and states on these issues and that they largely cannot be considered for installation of these facilities.

VI. Legislative Agenda
   Rony Berdugo summarized AB 40, a bill that would require the California Air Resources Board (CARB) to develop a comprehensive strategy no later than January 1, 2021 to ensure that the sales of new motor vehicles and new light-duty trucks in the state have transitioned fully to zero-emission vehicles by 2040. The committee discussed the staff recommendation and approved for board consideration.

   **Committee Recommendation:**
   Approve the staff recommendation to adopt an Oppose Unless Amended position on AB 40 (Ting), seeking amendments that will ensure CARBs comprehensive strategy to transition to all zero emission vehicles by 2040 does not result in any reductions in funding for local streets and roads, and direct League staff to first recommend such amendments to the author before submitting a position letter.
   **Action:** Approved unanimously.

2. **AB 847 (Grayson). Transportation Finance. Priorities. Housing.**
   Rony Berdugo summarized AB 847, a bill that would, as proposed to be amended, create a competitive grant funding program for offsetting up to 100% of a city and/or county’s transportation related impact fees for “qualifying housing development projects” using miscellaneous revenue that currently pay down the Transportation Debt Service Fund. The committee discussed the staff recommendation and approved for board consideration.

   **Committee Recommendation:**
   Direct League staff to negotiate with the author and Governor, using support for AB 847 (Grayson) as a negotiation tool in linking transportation funding to goals related to the building of affordable housing.
   **Action:** Approved unanimously.

   Rony Berdugo summarized AB 1266, a bill that would allow bicyclists to go straight instead of turning at a right-turn only lane, if the markings in the pavement provide indication for bicyclists to go straight. Questions about the need for new signs and street marking were raised, as well as concerns about potential liability, and if there are any
inconsistencies between this rule and federal uniform standards. The committee discussed the staff recommendation and approved for board consideration.

**Committee Recommendation:**
Adopt a Support position for AB 1266 and direct League staff to work with public works directors and city attorneys to address any possible safety or legal issues.

**Action:** Approved via voice vote by a majority of the committee, with some voicing a no vote.

Rony Berdugo summarized AB 1347, a bill that would require that 100% of all retail sales of electricity to state and local government buildings must come from renewable energy and zero-carbon resources by December 31, 2030. The committee discussed the staff recommendation and approved for board consideration.

**Committee Recommendation:**
Adopt a watch position on AB 1347 (Boerner Horvath) and direct League staff to work with the author in ongoing stakeholder discussions given that the bill has been held for the year.

**Action:** Approved unanimously.

5. **SB 127 (Wiener). Transportation Funding. Active Transportation. Complete Streets.**
Rony Berdugo summarized SB 127, a bill that would, beginning January 1, 2021, require the California Department of Transportation (Caltrans) to include new pedestrian and bicycle facilities or improve existing facilities as part of any capital improvement project on a state highway or a local street crossing a state highway funded through the State Highway Operations and Protection Program (SHOPP). Additionally, the bill would require at least three percent (3%) of the SHOPP's Road Maintenance and Rehabilitation Account (RMRA) funds to pay for bicycle and pedestrian facilities. The bill would also require State Highway Account (SHA) funds to be programmed, budgeted, and spent to maximize the use of federal funds for accessibility for all transportation users and for safety improvements to prioritize reducing fatalities and severe injuries for vulnerable road users instead of vehicle miles traveled.

The bill would establish a Division of Active Transportation within Caltrans to focus on active transportation program matters and progress on meeting the departments’ active transportation goals, and require the California Transportation Commission (CTC) to give high priority to increasing safety for bicyclists and pedestrians and their related facilities. The CTC would be required to solicit community input and implement complete streets that prioritize safety and accessibility for pedestrians, bicyclists, and transit users on all SHOPP projects starting in 2020. The CTCs existing asset management plan would need to adopt performance measures that include conditions of bicycle and pedestrian facilities, accessibility and safety for pedestrians, bicyclists, and transit users, and vehicle miles traveled on the state highway system.

Overarching concerns about mandating specific set asides for basic transportation maintenance, the precedent it might set for local streets and roads (similar bills have
been introduced in the past that attempt to mandate specific set aside amounts for local road funding), and existing discretion agencies have to spend these funds on these sorts of projects.

The idea on focusing a basic road maintenance program, whether state or local, was raised as a concern. Comments were made that cities already spend a significant portion of their local streets and roads funding on active transportation projects. It’s unclear how much Caltrans spends on these projects, but the idea of using basic maintenance money for something other than basic maintenance remained a concern.

It was also noted that aside from basic funds that go towards ATP, the ATP itself was doubled in SB 1. It is unclear, but ATP has a promising forecast of projects to be delivered over the next 10 years through a combination of the competitive ATP awards, local streets and roads funds, and contributions Caltrans makes towards those projects as well. Seeing SB 1 carry out its mission before shaking up how those funds are spent, given the decades of neglect to our existing systems seemed to be key for the committee. The committee discussed the questions raised by League staff, motioned to oppose the measure based on the concerns raised during discussions, which was approved for board consideration.

Committee Recommendation:
Adopt an Oppose position on SB 127 (Wiener).
Action: Approved on a 20-11 vote.

6. **SB 336 (Dodd). Transportation. Fully-Automated Transit Vehicles.**
Rony Berdugo summarized SB 336, a bill that would require fully automated transit vehicles to be staffed by at least one of the transit operators employees while the vehicle is in service. The committee discussed the two staff recommendations and approved the staff’s recommendation #1 for board consideration.

Committee Recommendation:
Adopt a Support position on SB 336 (Dodd).
Action: Approved on a 17-12 vote.

VII. **Legislative Update**
Rony Berdugo directed committee members to visit the TCPW website at [www.cacities.org/tcpw](http://www.cacities.org/tcpw) to get the latest information on bills the league is supporting, opposing, watching, and monitoring. The various resources have links to bill hearing calendars as well that the League is actively engaged on and/or watching. Rony Berdugo also pointed out that the Assembly has a new online letter submission portal for cities that want to weigh in on legislation. The committee also requested an update on the status of high-speed rail and housing issues from Jason at our June meeting.

2019 Work Program Items Covered to Date:
- **Transit & Mobility Options – Scooters, Bikes, and Safety**
  1. AB 1266 (R. Rivas) – Right Turn Lanes – Action Item
  2. SB 127 (Wiener) – ATP & the SHOPP – Action Item
  3. AB 1112 (Friedman) – City Scooter Preemption – League Opposition
- Small Cell Preemption Updates – Litigation, Regulation, & Legislation Updates
  1. Update from League’s attorney, Tripp May from Telecom Law Firm, regarding the FCC Order litigation.
  2. H.R. 530 (Eshoo) – League Action Alert to Urge Congressional Cosponsors

- Exploring the Road User Charge/Vehicle Miles Traveled Charge & how that will fund local streets and roads.
  1. AB 40 (Ting) – Transition to ZEVs by 2040 – Action Item
  2. Electric Vehicle Charging Infrastructure Update/Presentation
  3. 2018 Local Streets & Roads Needs Assessment Update/Presentation

- Monitor Community Choice Aggregation Policies & Proposals
  1. TBD

Next Meeting: Friday, June 14, Sacramento Convention Center, Sacramento