



TO: Lara Delaney, Senior Deputy County Administrator
FROM: Cathy Christian
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RE: 2013 Legislative Report

Budget 2013-2014

In contrast to years past, this year's budget proposal provided much needed relief from the previous years' budget cut woes. Although funding was not returned to all areas (for example, courts did not have a funding cut, but their funding was not restored either), the worst of the budget cuts of the last few years was at least stopped and was even restored in certain areas. When Governor Brown initially released his proposed 2013-2014 budget, the Legislative Analyst's Office had predicted a \$2 billion shortfall.

Governor Brown signed the 2013-2014 budget on June 27. Although he accepted most of the budget passed by the Legislature, he did make some last minute cuts of about \$41 million, \$30 million of that coming from special education, expressing concern that those programs could cost the state annually upwards of \$300 million. The budget included new funding for many programs. This includes a subsidy for University of California students whose parents make less than \$150,000 a year. Also included was a \$143 million fund for mental health crises and triage centers. The budget also took significant steps towards paying down the "Wall of Debt" by allocating \$2.6 billion toward that effort, with a year-end-goal of bring the debt down from \$34.7 billion to \$29.6 billion. Finally, the budget also established a \$1.1 billion budget reserve.

Much of this was possible because of the passage of Proposition 30 (sales tax and income tax hikes) which was passed by voters in November of last year and thereby avoided the drastic spending cuts which the Governor threatened would happen without Prop. 30's passage.

Other Issues

Medi-Cal Expansion and the Implementation of the ACA (Affordable Care Act)

The Governor signed Speaker Perez's bill AB 1x-1 which expanded Medi-Cal eligibility by over 1 million low income Californians. The cost of expansion will

be covered fully by the federal government for the first 3 years, which phases down to 90% for subsequent years. Numerous other bills went through the Legislature related to health care reform, many of which helped streamline the implementation of the Affordable Care Act (ACA) and made medical services more accessible to the low income persons in California. Health care legislation was one of the dominant topics of the 2013 session. Funding mechanisms for implementing the ACA at the county level was a major focus for CSAC and all counties. Contra Costa County was included in the formula for public hospital counties, which likely only partially acknowledges the significant expenditure the County and its hospital will face caring for medically indigent residents not covered by the ACA.

Local Control Funding Formula for Schools

Gov. Brown was a vocal critic of the existing funding formula, which often found wealthier school districts getting more money than poorer school districts. Gov. Brown's new funding formula gives a base level of funding per pupil to all school districts, and adds a supplemental grant based on the number of students who are English learners, students from low-income families and foster youth. Additionally, a grant will be provided to districts that have 55% of the targeted population. An adjustment to the Governor's initial proposal provided greater increased base level funding for all school districts.

Minimum Wage

Governor Brown signed AB 10 (Alejo) which raises the minimum wage to \$10 by 2016. The bill works in 2 phases; the first hike occurs on January 1, 2014, raising the minimum wage to \$9/hour. The second phase is implemented on January 1, 2016, when the minimum wage is raised to \$10/hour.

Driving Licenses for Undocumented Immigrants

Governor Brown also signed legislation permitting drivers' licenses to be issued to undocumented immigrants. AB 60 (Alejo) requires the DMV to issue an original driver's license to a person who is unable to submit satisfactory proof that the applicant's presence in the United States is authorized under federal law if he or she meets all other qualifications for licensure and provides proof of his or her identity and state residency.

LEGISLATIVE ADVOCACY

Throughout the entire legislative session, we proactively worked to advance the County's interests. We advocated for the measures the Contra Costa County

Board of Supervisors sponsored and took positions on, and participated in the entire budget process to ensure statewide issues affecting county government were reviewed and the County's position communicated.

In addition to reviewing all of the measures the lawmakers introduced and advising county staff if those bills that may have had an effect on the County, we actively monitored 33 bills and 1 resolution to ensure they were not amended to negatively impact the County.

BILLS HELD IN COMMITTEE

AB 5 (Ammiano – D) Homelessness (OPPOSE - BOARD POSITION)

The bill would have enacted the Homeless Person's Bill of Rights and Fairness Act, and would have provided that no person's rights, privileges, or access to public services may be denied or abridged because he or she is homeless. The bill also would have provided the right to specified actions, confidentiality of certain records, legal assistance, and restitution while prohibiting retaliation against a public employer for assisting the homeless. The bill was held in the Assembly Appropriations Committee.

AB 49 (Buchanan – D) License Plates: Breast Cancer Awareness (SUPPORT – BOARD POSITION)

The bill would have required the State Department of Health Care Services to apply to sponsor a breast cancer awareness license plate program, and the revenues from the plates would have been deposited in the Breast Cancer Control Fund. The bill was held in the Senate Rules Committee.

AB 531 (Frazier – D) Driver's Licenses: Veterans Designation (SUPPORT – BOARD POSITION)

The bill would have required the application for a driver's license or identification card to also allow a person to present to the Department of Motor Vehicles a Certificate of Release or Discharge from Active Duty and to request the driver's license identification card be printed with the word VETERAN. The bill was held in the Assembly Appropriations Committee.

AB 616 (Bocanegra – D) Local Public Employee Organizations: Dispute: Panels (OPPOSE – BOARD POSITION)

The bill provided that if either party disputes that a genuine impasse, as defined, has been reached, the issue of whether an impasse exists may be submitted to the Public Employment Relations Board for resolution before the dispute is

submitted to a fact-finding panel. The bill would also authorize each party to select a person to serve as its member of the fact-finding panel. The bill was held in the Senate Appropriations Committee.

AB 741 (Brown – D) Local Government Finance: Tax Equity Formula (OPPOSE – BOARD POSITION)

The bill would have increased the allocation of property tax revenues under a new Tax Equity Allocation formula for qualifying cities. The bill was held in the Assembly Local Government Committee.

AB 939 (Melendez – R) Pupil and School Personnel Health: Defibrillators (SUPPORT – BOARD POSITION)

The bill would have authorized a public school to solicit and received non-state funds to acquire and maintain an automatic external defibrillator and provided that the district and its employees would not be liable for civil damages for uses or non-uses of the equipment. The bill was held in the Senate Appropriations Committee.

SB 42 (Wolk – D) Safe Drinking Water, Water Quality, Flood Protection (SUPPORT)

The bill would have enacted the Safe Drinking Water, Water Quality, and Flood Protection Act of 2014, which, if adopted by the voters, would have authorized the issuance of bonds in a specified amount pursuant to the State General Obligation Bond Law to finance a safe drinking water, water quality, and flood protection program. The bill was held in the Senate Natural Resources and Water Committee, but is now the Senate vehicle in the negotiations with the Assembly for a new water bond. Action on this bond proposal is likely in the coming year.

SB 108 (Yee – D) Firearms (SUPPORT – BOARD POSITION)

The bill would have required the Department of Justice to conduct a study to determine effective firearm safe storage measures to reduce unintentional injury and death caused by firearms. The bill was held in the Assembly Public Safety Committee.

SB 283 (Hancock – D) CalFresh Eligibility (SUPPORT – BOARD POSITION)

The bill would have authorized CalFresh benefits to be paid to an individual who is convicted in state or federal court of any offense classified as a felony that has as an element the possession, use, or distribution of a controlled substance. The

bill provided that if the person is on supervised release, he or she would be ineligible for benefits during any period of revocation of that supervised release where the revocation results in incarceration. The bill was held in the Assembly Appropriations Committee.

SB 296 (Correa – D) County Veterans Service Officers (SUPPORT – BOARD POSITION)

The bill would have appropriated a specified amount of funds from the General Fund to the Department of Veterans Affairs to be dispersed to counties to fund the activities of county veterans' service officers and veterans' service organizations. The bill was held in the Senate Appropriations Committee.

SB 391 (DeSaulnier – D) State Homes and Jobs Act of 2013 (SUPPORT – BOARD POSITION)

The bill would have enacted the California Homes and Jobs Act of 2013 by imposing a fee to be paid at the time of the recording of every real estate instrument, paper, or notice that is required or permitted by law to be recorded. The bill was held in the Assembly Appropriations Committee.

SB 635 (Leno – D) Alcoholic Beverages: Hours of Sale (OPPOSE – BOARD POSITION)

The bill would have allowed an on-sale licensee to apply to the Department of Alcoholic Beverage control to authorize the selling, giving, delivering or purchasing of alcoholic beverages at the licensed premises between the certain hours upon completion of specified requirements by the local jurisdiction, and that the applicant notify specified persons of the application for additional hours. The bill was held in the Senate Governmental Organization Committee.

SB 727 (Jackson –D) Medical Waste: Pharmaceutical Product Stewardship (SUPPORT – BOARD POSITION)

The bill would have required the submission of a plan for the safe collection and property disposal of specified waste devices by a pharmaceutical producer. The bill would have required each producer to also submit a related fee, and imposed administrative civil penalties for violations or a fine for non-submission of a plan by a specified date. The bill was held in the Senate Environmental Quality Committee.

SB 735 (Wolk – D) Sacramento – San Joaquin Delta Reform Act (SUPPORT – BOARD POSITION)

The bill would have amended existing law that establishes the Delta Stewardship Council to create a Delta management plan, and authorized prescribed local entities to enter into a memorandum of understanding or other written agreement with the Council and the Department of Fish and Wildlife regarding multispecies conservation plans are consistent with the Delta Plan. The bill was held in the Assembly Water, Parks, and Wildlife Committee.

BILLS NOT APPROVED (YET) OR DEAD

ACA 9 (Gorell –R) Voter – Nominated Primary Elections (SUPPORT – BOARD POSITION)

The bill proposed an amendment to the Constitution to provide that, in order for a write-in candidate in a primary election for a congressional or state elective office who is one of the top two vote-getters to appear as a candidate for that office in the ensuing general election, the write-in candidate must have received votes at the primary election equal in number to at least 1 percent of all votes cast for the office at the last preceding election. The bill was refused reconsideration on the Assembly floor.

SB 1 (Steinberg –D) Sustainable Communities Investment Authority (SUPPORT)

This bill allows a local government to establish a sustainable Communities Investment Authority (Authority) and direct tax increment revenues to that Authority in order to address blight by supporting development in transit priority project areas, small walkable communities, and clean energy manufacturing sites. The bill was put on the Senate inactive file.

SB 33 (Wolk –D) Infrastructure Financing Districts: Voter Approval (SUPPORT – BOARD POSITION)

The bill revised provisions governing infrastructure financing districts by eliminating the requirement of voter approval for creation of the district and for bond issuance, and by authorizing the legislative body to create the district subject to specified procedures. The bill was put on the Assembly inactive file.

SB 53 (De Leon – D) Ammunition: Purchase Permits (SUPPORT – BOARD POSITION)

The bill would have required the Attorney General to maintain copies of ammunition purchase permits, ammunition transactions, and ammunition

vendor licenses. It also would have required the ammunition purchasers be authorized by the Department of Justice, provided that only a licensed ammunition vendor may sell ammunition, required identity verification, and also exempted gun shows and certain events. The bill was referred to the Assembly Public Safety Committee, however a hearing never took place.

BILLS VETOED BY THE GOVERNOR

AB 1229 (Atkins –D) Land Use: Zoning Regulations

The bill would have authorized the legislative body of any city or county to adopt ordinances to establish, as a condition of development, inclusionary housing requirements. The Governor wrote in his veto message that he was worried the new requirements would become an extra hoop for the already small group of developers to jump through. The Governor also indicated that it was prudent to wait for the Supreme Court to rule on the subject.

SB 374 (Steinberg – D) Firearms: Assault Weapons (SUPPORT – BOARD POSITION)

The bill would have clarified certain semiautomatic weapons as assault weapons. The bill would have also required a person who lawfully possessed an assault weapon that does not have a fixed magazine, including those weapons with an ammunition feeding device that can be removed readily from the firearm with the use of a tool, to register the firearm by a specified date. The veto message stated that the Governor was unconvinced that this bill's blanket ban on semi-automatic rifles would result in a reduction of criminal activity, or would improve public safety. The Governor noted that he did sign numerous other "gun control" bills that day.

LEGISLATION SIGNED BY THE GOVERNOR

AB 48 (Skinner – D) Firearms: Large Capacity Magazines (SUPPORT – BOARD POSITION)

The bill makes it a misdemeanor crime to buy or receive a large capacity ammunition magazine or to manufacture, import, keep for sale, offer or expose for sale, or give, lend, buy or receive any related conversion kit. The bill makes it a misdemeanor or a felony to buy or receive a large-capacity magazine.

AB 182 (Buchanan – D) Bonds: School Districts and Community College Districts (SUPPORT – BOARD POSITION)

The bill establishes the ratio of total debt service to principal for each school and community college district bond. It also provides the redemption period for capital appreciation bonds, and authorizes a school district or community college with a note issued prior to a specified date to seek a one-time waiver from certain requirements from the State Board of Education or the Chancellor of the California Community Colleges.

AB 244 (Bonilla –D) Vehicles: License Plates: Veterans (SUPPORT – BOARD POSITION)

Requires the Department of Veterans Affairs to apply to the Department of Motor Vehicles to sponsor a veteran specialized license plate, along with requiring the DMV to issue said plates.

AB 422 (Nazarian –D) School Lunch Programs: Health Care Notice (SUPPORT – BOARD POSITION)

The bill requires notices of a Healthy Families Program application to include prescribed advisements about the availability of free or reduced-cost comprehensive health care coverage through Medi-Cal or the Health Benefit Exchange. The bill also authorizes utilizing a school lunch program application as an application for a health insurance affordability program.

AB 537 (Bonta – D) Meyers – Miliias – Brown Act: Impasse Procedures (OPPOSE – BOARD POSITION)

The bill amends existing law requiring the governing body of a local public agency to meet and confer in good faith regarding wages, hours, and other terms and conditions of employment with representatives of a recognized employee organization. The bill requires that, if a tentative agreement is reached by parties, the governing body shall vote to accept or reject that agreement within a specified time period. Finally, the bill provides that a charge for failure to meet and confer in good faith shall not be barred in certain cases.

AB 720 (Skinner – D) Inmates: Health Care Enrollment (SUPPORT – BOARD POSITION)

The bill authorizes county boards of supervisors to designate an entity to assist county jail inmates to apply for a health insurance affordability program. The bill authorizes the entity to act on behalf of an inmate for the purpose of applying for, or determinations of, Medi-Cal eligibility for acute inpatient hospital services.

AB 748 (Eggman – D) Judgments Against a Public Entity: Interest

The bill amends existing law regarding payment of interest on damage awards against public entities to the amount of United States Treasury yields, not to exceed 7%.

AB 763 (Buchanan – D) Aquatic Invasive plants: Control and Eradication (SUPPORT – BOARD POSITION)

The bill designates the Division of Boating and Waterways as the lead agency of the state for the purpose of cooperating with other state, local, and federal agencies in identifying, detecting, controlling, and administering programs to manage invasive aquatic plants in the Sacramento-San Joaquin Delta, its tributaries, and the Suisun Marsh. It also requires risk assessment to specify if the aquatic plant is considered to be invasive.

AB 803 (Gomez – D) Water Recycling Act of 2013 (SUPPORT – BOARD POSITION)

The bill removes some barriers to greater use of recycled water by making spill reporting standards for recycled water uniform and permits testing of water purity as water leaves a treatment plant under certain conditions.

SB 191 (Padilla – D) Emergency Medical Devices (SUPPORT – BOARD POSITION)

The bill extends the operative date of existing law that establishes the Maddy Emergency Medical Services Fund, which authorizes each county to establish an emergency medical services fund for reimbursement of costs related to emergency medical services and funding for pediatric trauma centers. The bill also authorizes county boards of supervisors to elect to levy an additional penalty for this purpose upon fines, penalties and forfeitures collected for criminal offenses.

SB 254 (Hancock – D) Solid Waste: Used Mattresses: Recycling and Recovery (SUPPORT – BOARD POSITION)

The bill authorizes an industry association to establish a mattress recycling organization, and be certified by the Department of Resources Recycling and Recovery to develop a recycling program. It requires manufacturers, retailers and renovators to register the mattress the Department, and prohibits manufacturing or importation of non-compliant mattresses and requires a recycling charge.

**SB 279 (Hancock – D) San Francisco Bay Restoration Authority
(SUPPORT – BOARD POSITION)**

The bill relates to the authority to levy a special tax for bay restoration activities. The bill requires the Authority to file with the board of supervisors of each affected county a resolution requesting consolidation with the next regularly scheduled election, and requires election officials to use the same letter designation for the measure. The bill also relates to translation of ballot materials into languages other than English.

**SB 483 (Jackson – D) Hazardous Materials: Business and Area Plans
(SUPPORT – BOARD POSITION)**

The bill revises and recasts the hazardous waste and hazardous materials business plan requirements. The bill requires a unified program agency enforce these requirements, and requires the inspection program that is part of the program to include the onsite inspections of businesses.

**SJR 10 (Lieu – D) Workforce Investment Act: Reauthorization
(SUPPORT)**

The resolution urges the Congress of the United States to reauthorize the federal Workforce Investment Act and to include specified policies and strategies in support of the Act.

Conclusion

The next year is the second year of the two-year legislative session. Some of the “two-year bills” (those held in committee) may be heard in January. If they are not heard then, they must be re-introduced. Of course any bills considered in the second year must be acted on by August 31, when the two-year session ends.

The Governor will submit his proposed 2014-15 budget in early January. In addition, several issues affecting counties that came up this year may be revisited in 2014. These include CEQA reform, a statewide water bond, the realignment funding formula, and proposals for further realignment of state programs to counties.