



LEGISLATION COMMITTEE

July 11, 2016

10:30 A.M.

651 Pine Street, Room 101, Martinez

Supervisor Federal D. Glover, Chair
Supervisor Karen Mitchoff, Vice Chair

Agenda Items:

Items may be taken out of order based on the business of the day and preference of the Committee

1. Introductions
2. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to three minutes).
3. **APPROVE the Record of Action from the June 13, 2016 meeting with any necessary corrections.**
4. **CONSIDER recommending to the Board of Supervisors a position of "Oppose Unless Amended" on AB 1550 (Gomez): Greenhouse Gases: Investment Plan: Communities, as recommended by Supervisor Mitchoff.**
5. **CONSIDER recommending to the Board of Supervisors a position of "Support" on AB 2121 (Gonzalez) Alcoholic Beverage Control: Beverage Service Training, as recommended by the Alcohol and Other Drugs Advisory Board.**
6. **CONSIDER recommending to the Board of Supervisors a position of "Support" on SB 1107 (Hancock, Chiu): Political Reform Act of 1974, a bill that allows state and local governments to offer public campaign financing programs and limits the uses of campaign funds that are held by public officials who have been convicted of various public trust crimes.**
7. **CONSIDER recommending to the Board of Supervisors an amendment to the County's adopted Federal Platform to include support for creating a new category of private activity bonds for governments to join with private parties to help finance government buildings, as recommended by CAO staff.**
8. The next meeting is currently scheduled for August 8, 2016.
9. Adjourn

The Legislation Committee will provide reasonable accommodations for persons with disabilities planning to attend Legislation Committee meetings. Contact the staff person listed below at least 72 hours before the meeting.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of the Legislation Committee less than 96 hours prior to that meeting are available for public inspection at 651 Pine Street, 10th floor, during normal business hours.

Public comment may be submitted via electronic mail on agenda items at least one full work day prior to the published meeting time.

For Additional Information Contact:

Lara DeLaney, Committee Staff
Phone (925) 335-1097, Fax (925) 646-1353
lara.delaney@cao.cccounty.us



Contra Costa County Board of Supervisors

Subcommittee Report

LEGISLATION COMMITTEE

3.

Meeting Date: 07/11/2016
Subject: Record of Action
Submitted For: LEGISLATION COMMITTEE,
Department: County Administrator
Referral No.: 2016-22
Referral Name: Record of Action
Presenter: Lara DeLaney **Contact:** L. DeLaney, 925-335-1097

Referral History:

County Ordinance requires that each County body keep a record of its meetings. Though the record need not be verbatim, it must accurately reflect the agenda and the decisions made in the meeting. Any handouts or printed copies of testimony distributed at the meeting will be attached to this meeting record.

Referral Update:

Attached for the Committee's consideration is the Record of Action for its June 13, 2016 meeting.

Recommendation(s)/Next Step(s):

APPROVE the Record of Action from the June 13, 2016 meeting with any necessary corrections.

Attachments

Attachment A: Record of Action -June 13, 2016

Attachment B: Sign-in sheet



LEGISLATION COMMITTEE

RECORD OF ACTION

June 13, 2016

10:30 A.M.

651 Pine Street, Room 101, Martinez

Supervisor Federal D. Glover, Chair
Supervisor Karen Mitchoff, Vice Chair

Agenda Items:

Items may be taken out of order based on the business of the day and preference of the Committee

Present: Federal D. Glover, Chair
Karen Mitchoff, Vice Chair

Staff Present: Lara DeLaney, Senior Deputy County Administrator
Aruna Bhat, Department of Conservation & Development
Kara Douglas, Department of Conservation & Development
Susan Jeong, Employment & Human Services
Sean Casey, First 5/Early Learning Leadership
Allison Picard, Chief Assistant County Administrator
Ed Diokno, District V Office
Erica Hickey, District V Office
Eliacin Velazquez, District V Office

1. Introductions

Chair Glover called the meeting to order. Vice Chair Mitchoff in attendance. Staff introduced themselves. See attached sign-in sheet.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff

Passed

2. Public comment on any item under the jurisdiction of the Committee and not on this agenda (speakers may be limited to three minutes).

Sean Casey indicated that he was in attendance to represent First 5 and the Contra Costa Early Care and Education Leadership Group. He noted that either he or another person associated with these groups would continue to attend the meetings of the Legislation Committee, to ensure the Board members' information needs were met and that the issues of importance were addressed.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff

Passed

3. APPROVE the Record of Action from the May 9, 2016 meeting with any necessary corrections.

The Committee accepted the Record as presented.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff
Passed

4. CONSIDER recommending to the Board of Supervisors a position on the Governor's Affordable Housing By-Right Proposal or providing direction to staff on input on the proposal to be communicated with the California State Association of Counties (CSAC).

The Committee indicated they had ongoing concerns with the proposal's impact on local land use control. Given the fluidity of the proposal, with amendments still being proposed and trailer bill language not anticipated to be finalized until August, the Committee requested that the item return for further consideration at a subsequent meeting.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff
Passed

5. CONSIDER recommending to the Board of Supervisors a position of "Support" on AB 2263 (Baker): Protect Victims and Reproductive Health Care Providers.

The Committee voted unanimously to recommend adopting a Support position on AB 2263 to the Board of Supervisors. The Committee recommended this be placed on the Consent calendar.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff
Passed

6. CONSIDER providing direction to staff on developing a position for Board of Supervisors' consideration regarding various ballot initiatives in development for the November 2016 election.

a. The Committee voted unanimously to recommend adopting an oppose position on the Referendum to Overturn Ban on Single-Use Plastic Bags to the Board of Supervisors.

b. If it qualifies for the November 8, 2016 ballot, the Committee voted unanimously to recommend adopting a support position on the measure related to State Prescription Drug Purchases to the Board of Supervisors.

c. If it qualifies for the November 8, 2016 ballot, the Committee voted unanimously to recommend adopting a support position on the legislative proceedings initiative (prohibiting Legislature from passing any bill unless it has been in print and published on the Internet for at least 72 hours before the vote, except in cases of public emergency) to the Board of Supervisors.

d. If it qualifies for the November 8, 2016 ballot, the Committee voted unanimously to recommend adopting a support position on the initiative to increase the cigarette

tax to fund health care, to the Board of Supervisors.

e. If qualified for the November 8, 2016 ballot, the Committee voted unanimously to refer the measures related to the extension of the Proposition 30 personal income tax increases, the Governor's criminal sentencing reform, the repeal of the death penalty, and the legalization of marijuana for recreational purposes to the Board of Supervisors for discussion.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff

Passed

7. ACCEPT the reports on the state budget and federal issues and provide direction to staff, as needed, on bills of interest to the County.

The Committee accepted the report and provided no further direction to staff.

AYE: Chair Federal D. Glover, Vice Chair Karen Mitchoff

Passed

8. The next meeting is currently scheduled for July 11, 2016.

9. Adjourn

The Legislation Committee will provide reasonable accommodations for persons with disabilities planning to attend Legislation Committee meetings. Contact the staff person listed below at least 72 hours before the meeting.

Any disclosable public records related to an open session item on a regular meeting agenda and distributed by the County to a majority of members of the Legislation Committee less than 96 hours prior to that meeting are available for public inspection at 651 Pine Street, 10th floor, during normal business hours.

Public comment may be submitted via electronic mail on agenda items at least one full work day prior to the published meeting time.

For Additional Information Contact:

Lara DeLaney, Committee Staff
Phone (925) 335-1097, Fax (925) 646-1353
lara.delaney@cao.cccounty.us

6/13/16

LEGISLATION COMMITTEE

SIGN-IN SHEET

Signing in is voluntary. You may attend this meeting without signing in.

Name	Representing	Phone
ARUNA BHAT	DEPT of Conservation & Development	925-674-7784
Kara Douglas	" "	925-674-7880
SEAN JUNG	OKD	925.313.1680
SEAN CASEY	First 5/Early Learning Leadership	925.771.7316
Allison Picard	CAO	X 51096
ED DUCKNO	SUP. GLOVER	
Erica Hickey	Sup. Glover	925 759 2599
Eliana Velazquez	Sup. Glover	925 354 4141



Contra Costa County Board of Supervisors

Subcommittee Report

LEGISLATION COMMITTEE

4.

Meeting Date: 07/11/2016
Subject: AB 1550 (Gomez) Greenhouse Gases: Investment Plan: Communities
Submitted For: LEGISLATION COMMITTEE,
Department: County Administrator
Referral No.: 2016-25
Referral Name: AB 1550 (Gomez) Greenhouse Gases: Investment Plan: Communities
Presenter: Lara DeLaney **Contact:** L. DeLaney, 925-335-1097

Referral History:

This bill was referred to the Legislation Committee by its Vice Chair, Supervisor Karen Mitchoff.

Referral Update:

Assembly Bill (AB) 1550 relates to greenhouse gases and investments in communities and would require the Greenhouse Investment Fund plan to allocate a minimum percentage of the available moneys in the Greenhouse Gas Reduction Fund to projects located within disadvantaged communities and a minimum percentage to projects that benefit low-income households, with a fair share of the moneys targeting households with incomes below a percentage of the federal poverty level.

Status: 06/09/2016 To SENATE Committee on ENVIRONMENTAL QUALITY.

The Metropolitan Transportation Commission has taken an "Oppose Unless Amended" position on AB 1550 due to its concerns about the definition of "Disadvantaged communities" (DACs), which presently excludes many communities characterized by poor socio-economic conditions. The position letter is attached (Attachment B), as are the requested amendments (Attachment C).

Bill Analysis - 06/01/2016

SUMMARY: Requires that 25% of the Greenhouse Gas Reduction Fund (GGRF) be spent on projects located within disadvantaged communities, and requires that an additional 25% be spent on projects that benefit low-income households. Specifically, this bill:

- 1) Revises the requirement that 25% of the GGRF be expended to benefit disadvantaged communities to require that the funding be allocated for projects located within the boundaries of, and benefiting individuals in, disadvantaged communities.
- 2) Requires that an additional 20% of the GGRF be allocated for projects that benefit low-income households.

3) Requires that, to the extent feasible, a "fair share" of the moneys allocated to benefit low-income households target households with incomes at or below 200% of the federal poverty level.

FISCAL EFFECT: According to the Assembly Appropriations Committee, this bill has the following state costs:

1) Increased GGRF expenditures in disadvantaged and low-income communities. The Governor's budget proposes appropriating \$3.1 billion GGRF funds this year.

2) Increased annual ongoing costs of approximately \$600,000 (GGRF) for the California Air Resources Board (ARB) to modify existing guidelines and tracking systems, provide guidance to state agencies, and conduct outreach.

COMMENTS: According to the author, the best greenhouse gas (GHG) reduction strategies are those that benefit low-income households, whether they lie inside or outside CalEnviroScreen-designated disadvantaged communities. Low-income Californians often lack adequate transportation choices, spend a significant percentage of their budgets on necessities like energy, and are least able to relocate or afford energy-saving appliances, vehicles, and household improvements to adapt to our changing climate. This bill is intended to ensure that the state takes advantage of every opportunity to lift poor and working Californians out of poverty, while reducing GHG emissions.

The California Global Warming Solutions Act of 2006 (AB 32 (Nunez), Chapter 488, Statutes of 2006) requires ARB to adopt a statewide GHG emissions limit equivalent to 1990 levels by 2020 and adopt regulations, including market-based compliance mechanisms, to achieve maximum technologically feasible and cost-effective GHG emission reductions. As part of the implementation of AB 32 market-based compliance measures, ARB adopted a cap-and-trade program that caps the allowable statewide emissions and provides for the auctioning of emission credits, the proceeds of which are quarterly deposited into the GGRF available for appropriation by the Legislature.

The Budget continuously appropriates 35% of cap-and-trade funds for investments in transit, affordable housing, and sustainable communities. Twenty-five percent of the revenues are continuously appropriated to continue the construction of high-speed rail. The remaining 40% are to be appropriated annually by the Legislature for investments in programs that include low-carbon transportation, energy efficiency and renewable energy, and natural resources and waste diversion. An expenditure plan for the 40% was not included in the 2015-16 Budget Act, with the exception of \$227 million appropriated to continue funding for specified existing programs. The remaining 2015-16 revenues, along with 2016-17 revenues, totaling \$3.1 billion are available for appropriation this year.

SB 535 (De Leon), Chapter 830, Statutes of 2012, requires no less than 10% of cap-and-trade revenues fund projects located within disadvantaged communities (DACs), and that 25% of available revenues fund projects that benefit those communities. In October 2014, CalEPA released its list of disadvantaged communities for the purpose of SB 535. CalEPA relied on CalEnviroScreen to identify the areas disproportionately burdened by and vulnerable to multiple sources of pollution. CalEnviroScreen is a tool that assesses all census tracts in California to identify the areas disproportionally affected and vulnerable to multiple sources of pollution.

Areas (census tracts) identified as disadvantaged for SB 535's purposes by CalEnviroScreen include: the majority of the San Joaquin Valley; much of Los Angeles and the Inland Empire; pockets of other communities near ports, freeways, and major industrial facilities such as refineries and power plants; and large swaths of the Coachella Valley, Imperial

Valley and Mojave Desert.

This bill modifies SB 535 by requiring the entire 25% allocated to benefit DACs is used to fund projects located within the communities and establishes a new allocation category to target low-income households located outside DACs such as rural communities in northern and southeastern California as well as urban districts in places like the Bay Area and San Diego regions. Under this proposal, 50% (rather than 75% under current law) of all funds would be available for communities and households other than low-income and those not located in DACs.

Analysis Prepared by: Elizabeth MacMillan / NAT. RES. / (916) 319-2092 FN: 0003333

Attachment A includes the bill text.

Recommendation(s)/Next Step(s):

CONSIDER recommending to the Board of Supervisors a position of "Oppose Unless Amended" on AB 1550 (Gomez): Greenhouse Gases: Investment Plan: Communities, as recommended by Supervisor Mitchoff.

Attachments

Attachment A: AB 1550 bill text

Attachment B: MTC Letter

Attachment C: amendments

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY APRIL 11, 2016

AMENDED IN ASSEMBLY MARCH 28, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 1550

Introduced by Assembly Member Gomez

January 4, 2016

An act to amend Section 39713 of the Health and Safety Code, relating to greenhouse gases.

LEGISLATIVE COUNSEL'S DIGEST

AB 1550, as amended, Gomez. Greenhouse gases: investment plan: disadvantaged communities.

The California Global Warming Solutions Act of 2006 designates the State Air Resources Board as the state agency charged with monitoring and regulating sources of emissions of greenhouse gases. The act ~~requires the board to adopt greenhouse gas emission limits and emission reduction measures by regulation, and~~ authorizes the state board to include the use of market-based compliance ~~mechanisms to comply with the regulations.~~ *mechanisms*. Existing law requires all moneys, except for fines and penalties, collected by the state board as part of a market-based compliance mechanism to be deposited in the Greenhouse Gas Reduction Fund and to be available upon appropriation. Existing law requires the Department of Finance, in consultation with the state board and any other relevant state agency, to develop, as specified, a 3-year investment plan for the moneys deposited in the Greenhouse Gas Reduction Fund. Existing law requires the investment plan to allocate a minimum of 25% of the available moneys in the fund

to projects that provide benefits to disadvantaged—communities
communities, as defined, and a minimum of 10% to projects located in
 disadvantaged communities. Existing law provides that *authorizes* the
 allocation of 10% for projects located in disadvantaged communities
~~may~~ to be used for projects included in the minimum allocation of 25%
 for projects that provide benefits to disadvantaged communities.

This bill would instead require the investment plan to allocate a
 minimum of 25% of the available moneys in the fund to projects located
 within, and benefitting individuals living in, disadvantaged communities
 and a separate and additional unspecified percentage *a minimum of 20%*
 to projects that benefit low-income households, as specified, with a fair
 share of those moneys targeting households with incomes at or below
 200% of the federal poverty level.

Vote: majority. Appropriation: no. Fiscal committee: yes.
 State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 39713 of the Health and Safety Code is
- 2 amended to read:
- 3 39713. (a) The investment plan developed and submitted to
- 4 the Legislature, *Legislature* pursuant to Section ~~39716~~, 39716 shall
- 5 allocate a minimum of 25 percent of the available moneys in the
- 6 fund to projects located within the boundaries of, and benefitting
- 7 individuals living in, communities described in Section 39711.
- 8 (b) The investment plan shall allocate a minimum of 20 20
- 9 percent of the available moneys in the fund to projects that benefit
- 10 low-income households.
- 11 (1) For purposes of this subdivision, “low-income households”
- 12 are those with household incomes at or below 80 percent of the
- 13 statewide median income or with ~~median~~ *household* incomes at
- 14 or below the threshold designated as low income by the Department
- 15 of Housing and Community Development’s list of state income
- 16 limits adopted pursuant to Section 50093.
- 17 (2) To the extent feasible, a fair share of the moneys allocated
- 18 pursuant to this subdivision shall target households with incomes
- 19 at or below 200 percent of the federal poverty level.
- 20 (c) Moneys spent pursuant to subdivision (a) shall not count
- 21 toward the minimum requirement described in subdivision (b),

- 1 and moneys spent pursuant to subdivision (b) shall not count
- 2 toward the minimum requirement described in subdivision (a).

O



June 22, 2016

The Honorable Bob Wiecekowski
Chair, Senate Environmental Quality Committee
State Capitol, Room 2205
Sacramento, CA 95814

RE: AB 1550 (Gomez) – Oppose Unless Amended

Dear Chair Wiecekowski,

The Metropolitan Transportation Commission (MTC) is writing to express our opposition to the current version of AB 1550. As written, the bill would expand the state's reliance upon a flawed definition of disadvantaged communities (DACs) that excludes many communities characterized by poor socio-economic conditions. Specifically, the CalEnviroScreen 2.0 (CES2.0) developed by the California Environmental Protection Agency should not be relied upon exclusively to target Cap

Not only does CES2.0 exclude hundreds of census tracts that would be considered disadvantaged based on socio-economic conditions, it also has the perverse public health effect of encouraging growth and development in locations where residents have greater exposure to environmental harm. With 60 percent of Cap and Trade funds continuously appropriated to transportation and affordable housing purposes, we seriously question the merits of a policy that awards more points to applications located in areas with contaminated drinking water, higher pesticide use, groundwater threats, proximity to solid waste and hazardous waste.

Unless AB 1550 is amended to broaden the definition of DACs so that it includes communities with concentrations of people living with poor socio-economic conditions — regardless of their exposure to environmental hazards — we urge a “no” vote on the bill. If we can provide any additional information, please contact Rebecca Long, MTC's Government Relations Manager at 415-778-5289 or rlong@mtc.ca.gov or one of our Sacramento representatives — Scott Welch or Justin Hanslau at 916-446-3413 or Duncan McFetridge at 916-444-1380.

Sincerely,

Alix A. Bockelman

Deputy Executive Director, Policy

cc: Members, Senate Appropriations Committee
The Honorable Jimmy Gomez

Shrt

J:\COMMITTEE\legislation\letters\2016\AB 1550_SenFQ.docx

Dore Cortese, Chair
Santa Clara County
Jude Winkler, Vice Chair
San Joaquin County and Cities
Mina C. Aguirre
Representative in Assembly
Tom Amodeo
U.S. Department of Housing
and Urban Development
Jason Baker
City of Santa Clara County
Tom Burt
City of Merced County
David Campos
City and County of San Francisco
Doreen M. Glickman
U.S. Department of Transportation
Richard D. Glicker
City of Contra Costa County
Scott Haggerty
Mineral County
Jane W. Husted
San Francisco Bay Area Regional
and Development Commission
Steve Kinney
Marin County and Cities
Sam Lucido
San Jose Mayor's Appointee
Mark Lutz
Santa Clara County and Cities
Julie Pierce
Association of Bay Area Governments
Bijan Sanjati
California State
Transportation Agency
Libby Schaaf
Oakland Mayor's Appointee
James R. Spiering
Solano County and Cities
Alicia M. Tassier
San Mateo County
Scott Wiener
San Francisco Mayor's Appointee

to projects that provide benefits to disadvantaged—communities *communities, as defined*, and a minimum of 10% to projects located in disadvantaged communities. Existing law ~~provides that~~ *authorizes* the allocation of 10% for projects located in disadvantaged communities ~~may to be used for projects included in the minimum allocation of 25% for projects that provide benefits to disadvantaged communities.~~

This bill would instead require the investment plan to allocate a minimum of 25% of the available moneys in the fund to projects located within, and benefitting individuals living in, disadvantaged communities and ~~a separate and additional unspecified percentage~~ *a minimum of 20%* to projects that benefit low-income households, as specified, with a fair share of those moneys targeting households with incomes at or below 200% of the federal poverty level.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 39713 of the Health and Safety Code is
2 amended to read:

3 39713. (a) The investment plan developed and submitted to
4 the ~~Legislature~~, *Legislature* pursuant to Section ~~39716~~, *39716* shall allocate
5 a minimum of 25 percent of the available moneys in the
6 fund to projects located within the boundaries of, and benefitting
7 individuals living in, communities described in either Section 39711 or
a census tracts with a median household income at or below 80
percent of the statewide median income.

8 (b) With respect to grant programs supported by the fund that provide funding to individual
households, the The investment plan shall allocate a minimum of 20
9 percent of the funding for each program to projects
10 that benefit low-income households.

11 (1) For purposes of this subdivision, “low-income households”
12 are those with household incomes at or below 80 percent of the
13 statewide median income or with ~~median household~~ incomes at
14 or below the threshold designated as low income by the Department
15 of Housing and Community Development’s list of state income
16 limits adopted pursuant to Section 50093.

17 (2) To the extent feasible, a fair share of the moneys allocated
18 pursuant to this subdivision shall target households with incomes
19 at or below 200 percent of the federal poverty level.

20 (c) Moneys spent pursuant to subdivision (a) shall not count
21 toward the minimum requirement described in subdivision (b),



Contra Costa County Board of Supervisors

Subcommittee Report

LEGISLATION COMMITTEE

5.

Meeting Date: 07/11/2016

Subject: AB 2121 (Gonzalez) Alcoholic Beverage Control: Beverage Service Training

Submitted For: LEGISLATION COMMITTEE,

Department: County Administrator

Referral No.: 2016-23

Referral Name: AB 2121 (Gonzalez) Alcoholic Beverage Control: Beverage Service Training

Presenter: Lara DeLaney **Contact:** L. DeLaney, 925-335-1097

Referral History:

This bill was referred to the Legislation Committee by the Alcohol and Other Drugs Advisory Board.

Referral Update:

Assembly Bill (AB) 2121 would require that, starting in July 1, 2020, a person who is affiliated with selling or serving alcoholic beverages successfully complete an approved Responsible Interventions for Beverage Servers (RIBS) Training Course within 3 months of employment and every 3 years thereafter.

Status: 06/21/2016 From SENATE Committee on GOVERNMENTAL ORGANIZATION with author's amendments.

Bill Analysis - 06/01/2016

SUMMARY: This bill establishes the Responsible Beverage Service (RBS) Training Program, beginning July 1, 2020. Specifically, this bill:

- 1) Provides beginning July 1, 2020, an alcohol server shall successfully complete a certified RBS training course within three months of employment and every three years thereafter.
- 2) Provides a nonprofit organization that has obtained a temporary daily on-sale license or a temporary daily on-sale license from ABC shall designate a person or persons to receive RBS training prior to the event and that designated person or those designated persons shall remain on site for the duration of the event.
- 3) Provides the licensee shall ensure that those persons required to successfully complete a certified RBS training course do so. A current certificate or card provided by any approved training course provider shall be sufficient documentation of successful completion and shall be accepted throughout the state.
- 4) Specifies on or before January 1, 2020, Alcoholic Beverage Control (ABC) shall establish a list, published on the department's Internet Web site, of certified RBS training courses that may be used to fulfill the requirements, as defined.
- 5) Provides a certified RBS training course shall consist of at least four hours of instruction

and cover certain information, including the impact of alcohol on the body and state laws and regulations related to alcoholic beverage control. The RBS training course may be offered through a trainer-led class and assessment or self-training and assessment.

6) Provides an RBS certificate or card shall be issued only upon successful completion of a certified RBS training course and assessment. A minimum score of 70% on the assessment shall be required to successfully complete the course. A certified RBS training course shall issue a certificate or card to individuals who successfully complete a course. The certificate or card shall be valid for three years from the original date of issuance, regardless of whether the alcohol server changes employers during that period.

7) Provides ABC may, by regulation, establish additional training standards and curricula to be included in a certified RBS training course.

8) Provides ABC shall establish minimum standards and promulgate regulations for the training and scope of practice by January 1, 2018, for a person who sells or serves alcoholic beverages.

9) Requires at least one RBS course to be offered for less than \$15 and at least one RBS course to be offered in Spanish. Provides ABC shall review a certified RBS training course at least once every three years after the course is approved. ABC may collect fees as part of the certification or recertification process to cover the reasonable costs associated with the certification and recertification of RBS training courses.

10) Specifies beginning January 1, 2019, ABC shall include information on the RBS training course requirement, as defined, including information on documentation requirements, on the application for an authorized license and with the license renewal notices sent to authorized licensees.

11) Provides beginning July 1, 2020, all authorized licensees shall maintain, and provide upon request by ABC, all records necessary to establish compliance, as specified.

12) Specifies beginning July 1, 2020, an authorized licensee, or agent or employee of such licensee, who permits any alcoholic beverage to be consumed by any person on the premises without possessing a valid training certificate or card is guilty of a misdemeanor.

13) Defines "Alcohol server" means a person who sells or serves alcoholic beverages, or a person who manages or supervises a person who sells or serves alcoholic beverages, including the onsite establishment owner of a licensed facility, for consumption on the premises of a licensed facility that includes, but is not limited to, one-day events, fairs, festivals, sporting events, and other special events.

EXISTING LAW:

1) The Alcoholic Beverage Control Act, administered by ABC, regulates the granting of licenses for the manufacture, distribution, and sale of alcoholic beverages within the state.

2) Defines an "On-sale" license as authorizing the sale of all types of alcoholic beverages namely, beer, wine and distilled spirits, for consumption on the premises (such as at a restaurant or bar).

3) Provides that every person who sells, furnishes, gives, or causes to be sold, furnished, or given away, any alcoholic beverage to any habitual or common drunkard or to any obviously intoxicated person is guilty of a misdemeanor.

4) States no person who sells, furnishes, gives, or causes to be sold, furnished, or given

away, any alcoholic beverage shall be civilly liable to any injured person or the estate of such person for injuries inflicted on that person as a result of intoxication by the consumer of such alcoholic beverage.

5) Allows ABC to issue licenses and authorizations for the retail sale of beer, wine and distilled spirits on a temporary basis for special events (Special Daily Beer and/or Wine License, Daily On Sale General License).

6) States a cause of action may be brought by or on behalf of any person who has suffered injury or death against any person licensed, or required to be licensed, as specified, or any person authorized by the federal government to sell alcoholic beverages on a military base or other federal enclave, who sells, furnishes, gives or causes to be sold, furnished or given away any alcoholic beverage, and any other person who sells, or causes to be sold, any alcoholic beverage, to any obviously intoxicated minor where the furnishing, sale or giving of that beverage to the minor is the proximate cause of the personal injury or death sustained by that person.

FISCAL EFFECT: According to the Assembly Appropriations Committee: 1) Moderate costs to ABC in the range of \$250,000 annually in the first three years of the program to develop, evaluate, and implement this program. This includes two additional positions to assist with the rulemaking process as well as the additional overhead required to accommodate additional certification processes (Alcohol Beverage Control Fund); and 2) ABC will continue to incur additional costs to maintain the program and review courses, but those costs are expected to decrease over time. Moreover, ABC may require a fee for certification and recertification, helping offset costs.

Purpose of the bill: According to the information provided by the author, the Licensee Education on Alcohol and Drugs (LEAD) program and RBS are not required in California, meaning many bartenders and servers are not prepared to recognize patrons who have been over-served and to safely intervene to prevent tragedy. Excessive alcohol consumption can impair an individual's mental and physical abilities, which creates a public safety risk when an individual operates a motor vehicle while intoxicated. When individuals drive under the influence, it not only puts the driver at risk -- it threatens the lives of passengers and all others who share the road. The social cost is clear, as drunk driving causes the deaths of 10,000 of our loved ones every year.

The author states by requiring a beverage server be trained to intervene before patrons become over-served alcohol can play an important role in ensuring that the public is protected. This bill can follow the lead of 18 other states and the District of Columbia by making this training a requirement of those serving alcoholic beverages to patrons.

The author additionally notes according to "the National Highway Traffic Safety Administration, more than 10,000 people die on our streets every year - the equivalent of one fatality every 51 minutes due to drunk driving. While we cannot entirely stop every individual from making bad decisions that put innocent people at risk, we do have a responsibility to intervene when we can."

The author notes, "While law enforcement does its best with checkpoints and other enforcement, these approaches only help after someone has already made the choice to get behind the wheel when they should not. Bottom line, this is not good enough. By establishing a uniform, standard education requirement for all servers, California can improve the likelihood that a server will intervene upfront before a patron become a danger or commit a crime. And that saves lives."

The author contends this bill "will ensure that all servers learn the necessary skills to protect the patron, public, server and business. We know drunk driving ruins lives and kills

too many innocent people. That is why we need to make sure those on the front line are equipped to help."

Background: RBS is not mandatory in California. However, some cities and counties do require RBS training to sell or serve alcoholic beverages at establishments within those jurisdictions. For instance, the City of Solana Beach requires training within 30 days of being hired - certification is valid for three years. The City of Berkeley requires training within 90 days of being hired - certification is valid for two years. The City of Rohnert Park mandates training within 60 days of being hired. The City of Petaluma requires training within 90 days of being hired - certification is valid for three years.

ABC offers a free and voluntary four-hour class, called Licensee Education on Alcohol and Drugs, or LEAD, for retail licensees, their employees and applicants. In 1991, the program began due to a grant from the California Office of Traffic Safety. The LEAD Program provides the licensee and applicant with practical information on serving alcoholic beverages safely, responsibly, and legally, and preventing illicit drug activity at the licensed establishment. At the conclusion of the class, an exam is given on the material that was covered. Each person that fulfills all of the training requirements receives a certificate, via email, certifying that they successfully completed a LEAD training course.

The LEAD Program is one of several training programs that offer responsible beverage service training. ABC provides a list of other RBS training providers on its web site. ABC encourages its licensees to participate in these classes as a means to minimize the risk of liability for criminal, civil and ABC regulatory actions, to potentially lower liability insurance premiums, and to develop strategies for addressing challenging situations associated with the sale of alcohol. ABC does not offer the LEAD Program in languages other than English.

California Dram Shop Law: Under current state law, owners of bars, restaurants and liquor stores can face criminal misdemeanor charges (which carry penalties of six to 12 months in county jail, a minimum \$1,000 fine, or both) and be held liable for civil damages to an injured third party where such owners serve a minor who is visibly intoxicated. A vendor who provides alcohol to a person 21 years of age or older cannot be held liable for damages if the person then injures someone else, even if the person was obviously intoxicated at the time. The law states that the consumption of alcohol, not the furnishing of the beverages, is the proximate cause of injuries that an intoxicated person inflicts on another individual, a position that largely eliminates dram shop liability.

In Support: According to the Federal Centers for Disease Prevention and Control, representing local health departments throughout our state, "Excessive alcohol use can lead to increased risk of health problems including injuries, violence, liver disease, and cancer. AB 2121 seeks to mitigate these risks by requiring responsible beverage service training programs. These training programs would educate servers on the impact of alcohol, current laws and regulations, and intervention techniques to prevent sales to underage and intoxicated persons. Local health departments support efforts that promote public health of our communities and reduce the risks associated with alcoholic beverage consumption."

According to the California Medical Association, binge drinking, defined as consuming five or more drinks for men and four or more drinks for women, is strongly associated with alcohol-impaired driving. An analysis of the Behavioral Risk Factors Surveillance System survey found that over 10% of binge drinkers drove during or within two hours of binge drinking. Of those, over 50% reported that they had been drinking at a licensed establishment. RBS training provides bartenders and servers with tools to effectively identify when a patron has had too much to drink, and how to safely intervene if the patron attempts to get into their car. RBS has been found to increase appropriate server practices, increase refusal to serve obviously intoxicated patrons, and decrease the percentage of

intoxicated patrons leaving an establishment. Three years after Oregon mandated responsible beverage service training, fatal single vehicle nighttime crashes decreased by an estimated 23%.

Analysis Prepared by: Eric Johnson / G.O. / (916) 319-2531 FN: 0003386

Attachment A includes the bill text.

Attachment B includes a letter from the Alcohol and Other Drugs Advisory Board.

Recommendation(s)/Next Step(s):

CONSIDER recommending to the Board of Supervisors a position of "Support" on AB 2121 (Gonzalez) Alcoholic Beverage Control: Beverage Service Training, as recommended by the Alcohol and Other Drugs Advisory Board.

Fiscal Impact (if any):

No immediate fiscal impact.

Attachments

Attachment A: AB 2121 bill text

Attachment B: Alcohol and Other Drugs Advisory Board letter

AMENDED IN SENATE JUNE 21, 2016

AMENDED IN ASSEMBLY MAY 31, 2016

AMENDED IN ASSEMBLY MAY 11, 2016

AMENDED IN ASSEMBLY APRIL 12, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

ASSEMBLY BILL

No. 2121

Introduced by Assembly Member Gonzalez
(Coauthor: Assembly Member Eduardo Garcia)
(Coauthor: Senator Pan)

February 17, 2016

An act to add Article 4 (commencing with Section 25680) to Chapter 16 of Division 9 of the Business and Professions Code, relating to alcoholic beverages.

LEGISLATIVE COUNSEL'S DIGEST

AB 2121, as amended, Gonzalez. Alcoholic beverage control: Responsible Beverage Service Training Program Act of 2016.

The Alcoholic Beverage Control Act, administered by the Department of Alcoholic Beverage Control, regulates the granting of licenses for the manufacture, distribution, and sale of alcoholic beverages within the state. Under existing law, any on-sale license authorizes the sale of the alcoholic beverage specified in the license for consumption on the premises where sold and applications for the issuance or renewal of that license are signed under the penalty of perjury. Currently, the Licensee Education on Alcohol and Drugs (LEAD) program is a voluntary prevention and education program for retail licensees, their

employees, and applicants, regarding alcohol responsibility and the law.

This bill would, in addition to the LEAD program, establish the Responsible Beverage Service (RBS) Training Program Act of 2016, beginning July 1, 2020, that would require an alcohol server, as defined, to successfully complete ~~a certified~~ *an* RBS training course *offered by an accredited training provider* within 3 months of employment and every 3 years thereafter. The bill would require a nonprofit organization that obtained a temporary daily on-sale or off-sale license to designate a person or persons to receive RBS training before the event and would require that person or those persons to remain on site for the duration of the event. The bill would provide that ~~a certified~~ *an* RBS training course include information on, among other things, state laws and regulations relating to alcoholic beverage control and the impact of alcohol on the body. The bill would require the Department of Alcoholic Beverage Control, on or before January 1, 2020, to establish a list published on the department's Internet Web site of ~~certified~~ RBS training courses and would authorize the department to collect fees to cover the reasonable costs of ~~certification and recertification of RBS training courses~~; *review and approval of accreditation agencies*. The bill, beginning January 1, 2019, would require the department to provide information on RBS training requirements on applications for, and renewals of, authorized licenses. The bill, beginning July 1, 2020, would require all authorized licensees to maintain, and provide upon request by the department, all records necessary to establish compliance with these provisions and would ~~make it a misdemeanor for an authorized licensee, or that licensee's agent or employee, to permit any alcoholic beverage to be consumed on the premises without possessing a valid training certificate or card. By creating a new~~ *provide that alcohol servers are subject to specified criminal and civil penalties. By expanding the scope of an existing crime*, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

SECTION 1. This act shall be known, and may be cited, as the Responsible Beverage Service Training Program Act of 2016.

SEC. 2. Article 4 (commencing with Section 25680) is added to Chapter 16 of Division 9 of the Business and Professions Code, to read:

Article 4. Responsible Beverage Service (RBS) Training
Program Act of 2016

25680. For purposes of this article:

(a) *“Accredited training provider” means either of the following:*

(1) *A training provider accredited by the American National Standards Institute (ANSI) that meets ASTM International E2659-15 Standard Practice for Certificate Programs.*

(2) *A training provider accredited by an accreditation agency other than ANSI, provided the accreditation agency is authorized by the department to accredit training providers offering RBS training courses.*

~~(a)~~

(b) *“Alcohol server” means a person who sells or serves alcoholic beverages, beverages directly to consumers, or a person who manages or supervises a person who sells or serves alcoholic beverages, beverages directly to consumers, including the onsite establishment owner of a licensed facility, for consumption on the premises of a licensed facility that includes, but is not limited to, one-day events, fairs, festivals, sporting events, and other special events.*

~~(b)~~

(c) *“RBS training course” means a Responsible Beverage Service training course ~~certified by the department pursuant to that meets the requirements of subdivision (b) of Section 25682.~~*

~~(c)~~

(d) *“Self-training and assessment” means a process where the individual trains, and takes an assessment, without the presence or intervention of a trainer or ~~instructor~~, instructor and includes, but is not limited to, training and assessment through the use of a computer program or the Internet.*

1 25681. (a) Notwithstanding any laws to the contrary, beginning
2 July 1, 2020, an alcohol server shall successfully complete—a
3 ~~certified~~ *an RBS training course from an accredited training*
4 *provider* within three months of employment and every three years
5 thereafter.

6 (b) The licensee shall ensure that those persons required to
7 successfully complete—a ~~certified~~ *an RBS training course* do so. A
8 current certificate or card provided by any ~~approved training course~~
9 *accredited training* provider shall be sufficient documentation of
10 successful completion and shall be accepted throughout the state.

11 (c) A nonprofit organization that has obtained a temporary daily
12 on-sale license or a temporary daily off-sale license from the
13 department shall designate a person or persons to receive RBS
14 training prior to the event and that designated person or those
15 designated persons shall remain on site for the duration of the
16 event.

17 (d) An alcohol server shall be subject to the provisions of
18 subdivisions (b) and (c) of Section 25602.

19 25682. (a) On or before January 1, 2020, the department shall
20 establish a list, published on the department's Internet Web site,
21 of ~~certified~~ RBS training courses *offered by accredited training*
22 *providers* that may be used to fulfill the requirements of Section
23 25681.

24 (b) (1) ~~A certified~~ *An RBS training course* shall consist of at
25 least four hours of instruction and include, but shall not be limited
26 to, the following information:

27 (A) The social impact of alcohol.

28 (B) The impact of alcohol on the body.

29 (C) State laws and regulations relating to alcoholic beverage
30 control, including laws and regulations related to driving under
31 the influence.

32 (D) Intervention techniques to prevent the service or sale of
33 alcoholic beverages to underage persons or intoxicated patrons.

34 (E) The development of management policies that support the
35 prevention of service or sale of alcoholic beverages to underage
36 persons or intoxicated patrons.

37 (F) The course shall provide basic, introductory instruction on
38 the elements described in subparagraphs (A) to (E), inclusive.

39 (2) An RBS training course may be offered through a trainer-led
40 class and assessment or self-training and assessment.

1 (3) An RBS certificate or card shall be issued only upon
2 successful completion of a ~~certified~~ *an* RBS training course and
3 assessment. A minimum score of 70 percent on the assessment
4 shall be required to successfully complete the course.

5 (4) ~~A certified~~ *An* RBS training course shall issue a certificate
6 or card to individuals who successfully complete a course. The
7 certificate or card shall be valid for three years from the original
8 date of issuance, regardless of whether the alcohol server changes
9 employers during that period.

10 (5) The department may, by regulation, establish additional
11 training standards and curricula to be included in a ~~certified~~ *an*
12 RBS training course.

13 ~~(e) The department shall establish minimum standards and~~
14 ~~promulgate regulations for the training and scope of practice by~~
15 ~~January 1, 2018, for a person who sells or serves alcoholic~~
16 ~~beverages.~~

17 ~~(d)~~

18 (c) At least one ~~certified~~ RBS training course shall cost a
19 participant no more than fifteen dollars (\$15), inclusive of the
20 certificate or card provided upon successful completion of the
21 training course. At least one ~~certified~~ RBS training course shall
22 be offered in Spanish. If no RBS training courses meet these
23 requirements, Section 25681 shall not apply.

24 ~~(e) The department shall review a certified RBS training course~~
25 ~~at least once every three years after the course is approved.~~

26 ~~(f) The department may collect fees as part of the certification~~
27 ~~or recertification process to cover the reasonable costs associated~~
28 ~~with the certification and recertification of RBS training courses.~~

29 (d) *The department may authorize an accreditation agency, in*
30 *addition to ANSI, to accredit training providers to offer RBS*
31 *training courses and may collect fees to cover the reasonable costs*
32 *associated with the review and approval of that accreditation*
33 *agency.*

34 25683. (a) Beginning January 1, 2019, the department shall
35 include information on the RBS training course requirement
36 pursuant to Section 25681, including information on documentation
37 requirements, on the application for an authorized license and with
38 the license renewal notices sent to authorized licensees.

1 (b) Beginning July 1, 2020, all authorized licensees shall
2 maintain, and provide upon request by the department, all records
3 necessary to establish compliance with this section.

4 (c) Beginning July 1, 2020, an authorized licensee, or agent or
5 employee of such *that* licensee, who ~~permits any alcoholic beverage~~
6 ~~to be consumed by any person on the premises without possessing~~
7 ~~a valid training certificate or card is guilty of a misdemeanor.~~
8 *knowingly and intentionally employs an alcohol server that has*
9 *not completed an RBS training course shall only be subject to the*
10 *civil and administrative penalties authorized by this division.*

11 SEC. 3. No reimbursement is required by this act pursuant to
12 Section 6 of Article XIII B of the California Constitution because
13 the only costs that may be incurred by a local agency or school
14 district will be incurred because this act creates a new crime or
15 infraction, eliminates a crime or infraction, or changes the penalty
16 for a crime or infraction, within the meaning of Section 17556 of
17 the Government Code, or changes the definition of a crime within
18 the meaning of Section 6 of Article XIII B of the California
19 Constitution.

O



Contra Costa County Alcohol and Other Drugs Advisory Board
1220 Morello Avenue, Suite 200
Martinez, CA 94553
(925) 335-3307; fax (925) 335-3318

"The mission of the Contra Costa County Alcohol and Other Drugs Advisory Board is to assess family and community needs regarding prevention and treatment of alcohol and other drug-related problems. Resultant findings and recommendations are forwarded to the Health Services Department and the Board of Supervisors. The Board also serves as an advocate for these findings and recommendations to the communities that we serve."

June 13, 2016

Contra Costa County Board of Supervisors
Legislation Committee
651 Pine Street
Martinez, CA 94553

District 1

Vacant
Katherine Webster
Antwon Cloird

District 2

Hayden Padgett
Guita Bahramipour
Catherine Taughinbaugh

District 3

Vacant
Jerry Lasky
Vacant

District 4

James Ryan
Vacant
Tom Aswad

District 5

Jill Chioino
Robin Houdashell
Vacant

At-Large Member

Shirley Cheney
Elizabeth Sutherland M.D.
Vacant

Dear Supervisors,

The Contra Costa County Alcohol and Other Drugs Advisory Board, during its scheduled March 23, 2016 meeting, voted to request a letter of support from the Board of Supervisors for AB 2121 (Gonzalez). This bill would require that starting in July 1, 2020, a person who is affiliated with selling or serving alcoholic beverages successfully complete an approved Responsible Interventions for Beverage Servers (RIBS) Training Course within 3 months of employment and every 3 years thereafter.

This RIBS Training Course will focus on teaching people who are affiliated with serving alcoholic beverages about how to develop policies within their establishments to discourage sales to minors or intoxicated patrons. Such requirements would help to ensure that all precautions are taken to make sure underage youth do not access alcohol, or people of age are not overserved.

The Advisory Board believes that this bill will benefit from the support of the Board of Supervisors. A letter of support sent to the author of the bill would be necessary to accomplish this goal.

We thank you for the opportunity to provide this recommendation on this important issue.

On behalf of the Alcohol and Other Drugs Advisory Board,



James Ryan, Chair

Attachment: language of AB 2121 (Gonzalez)

c: Fatima Matal Sol, Alcohol & Other Drugs Services



Contra Costa County Board of Supervisors

Subcommittee Report

LEGISLATION COMMITTEE

6.

Meeting Date: 07/11/2016

Subject:

Department: County Administrator

Referral No.:

Referral Name:

Presenter:

Contact:

Referral History:

A request for support of SB 1107 was received by Supervisor Andersen's office from Northern California Common Cause. There is no policy in the Board's adopted Platform that relates to this bill, so the bill was referred to the Legislation Committee for consideration.

Referral Update:

SB 1107 was amended on 6/30/16 (Attachment A). The bill is pending in the Assembly Appropriations Committee. A "Fact Sheet" prepared by Common Cause is also attached (Attachment B), as is a letter of support template provided by them (Attachment C).

ASSEMBLY COMMITTEE ON ELECTIONS AND REDISTRICTING
Shirley Weber, Chair

SB 1107

(Allen) - As Amended Ver: March 28, 2016

SENATE VOTE: 26-12

SUBJECT: Political Reform Act of 1974: public moneys: definition.

SUMMARY: Allows state and local governments to offer public campaign financing programs. Prohibits, under state law, foreign governments and foreign principals from making contributions and expenditures in connection with candidate elections. Increases the maximum monetary penalties for unlawful foreign contributions and expenditures. Limits the uses of campaign funds that are held by public officials who have been convicted of various public trust crimes. Specifically, this bill:

1) Permits state and local governmental entities to establish programs that provide for public campaign financing for candidates for elective office, if all of the following criteria have been met:

a) The state or local governmental entity has established a dedicated fund for the purpose of

providing public campaign financing for candidates for elective office;

b) Public moneys held in the fund are available to all qualified, voluntarily participating candidates of the same office without regard to incumbency or political party preference; and,

c) The state or local governmental entity has established criteria for determining a candidate's qualification by statute, ordinance, resolution, or charter.

2) Prohibits a foreign government or foreign principal, as defined, from making, directly or through any other person, a contribution, expenditure, or independent expenditure in connection with a state or local candidate.

3) Prohibits a person or a committee from soliciting or accepting a contribution from a foreign government or a foreign principal, as defined, in connection with a state or local candidate.

4) Increases the potential monetary penalties available for a violation of state law restricting contributions and expenditures by foreign governments and foreign principals as follows:

a) Increases the maximum fine available in a criminal enforcement proceeding from an amount equal to the amount contributed or expended to an amount that is the greater of the following:

i) \$10,000; or,

ii) An amount equal to the amount contributed or expended.

b) Increases the maximum fine available in a civil enforcement proceeding from an amount up to \$5,000 per violation to an amount that is the greater of the following:

i) \$10,000; or,

ii) An amount equal to the amount contributed or expended.

5) Provides that an officeholder who is convicted of a felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes, and whose conviction has become final, may use funds held by the officeholder's candidate controlled committee only for the payment of outstanding campaign debts or expenses and the repayment of contributions. Requires the officeholder, six months after conviction for one of the aforementioned felonies becomes final, to forfeit any remaining funds and requires the funds to be deposited in the general fund. Provides that these provisions do not apply to funds held by a ballot measure committee or in a legal defense fund.

6) Requires the Secretary of State (SOS) to submit the provisions of this bill to the voters for approval at a statewide election, as specified.

7) Contains a severability clause.

8) Makes corresponding and technical changes.

EXISTING STATE LAW:

- 1) Creates the Fair Political Practices Commission (FPPC), and makes it responsible for the impartial, effective administration and implementation of the Political Reform Act (PRA).
- 2) Prohibits public officers from expending, and candidates from accepting, public moneys for the purpose of seeking elective office.
- 3) Prohibits a foreign government or foreign principal from making, directly or through any other person, a contribution, expenditure, or independent expenditure in connection with the qualification or support of, or opposition to, a state or local ballot measure. Prohibits a person or a committee from soliciting or accepting a contribution from a foreign government or a foreign principal in connection with the qualification or support of, or opposition to, any state or local ballot measure.
 - a) Defines "foreign principal," for the purposes of these restrictions, to include the following:
 - i) A foreign political party;
 - ii) A person outside the United States (US), unless either of the following is established:
 - (1) The person is an individual and a citizen of the US; or,
 - (2) The person is not an individual, and is organized under or created by the laws of the US or of any state or other place subject to the jurisdiction of the US and has its principal place of business within the US;
 - iii) A partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or,
 - iv) A domestic subsidiary of a foreign corporation if the decision to contribute or expend funds is made by an officer, director, or management employee of the foreign corporation who is neither a citizen of the US nor a lawfully admitted permanent resident of the US.
 - b) Provides that these restrictions do not prohibit a contribution, expenditure, or independent expenditure made by a lawfully admitted permanent resident.
 - c) Provides that a person who violates these provisions is guilty of a misdemeanor and shall be fined an amount equal to the amount contributed or expended.
- 4) Provides that contributions deposited into a candidate's campaign account are deemed to be held in trust for expenses associated with the election of the candidate or for expenses associated with holding office. Provides that an expenditure of campaign funds is within the lawful execution of this trust if the expenditure is reasonably related to a political, legislative or governmental purpose, as specified. Requires an expenditure that confers a substantial personal benefit on anyone with authority to approve the expenditure to be directly related to a political, legislative, or governmental purpose.
- 5) Prohibits a person from being a candidate for, or being elected to, an elective office if the person has been convicted of a felony involving accepting or giving, or offering to give, any bribe, the embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes.

- 6) Provides that a person who violates any provision of the PRA, except as specified, for which no specific civil penalty is provided, shall be liable in a civil action for an amount of up to \$5,000 per violation.
- 7) Permits the FPPC to impose administrative penalties of up to \$5,000 per violation of the PRA.
- 8) Requires every constitutional amendment, bond measure, or other legislative measure submitted to the people by the Legislature to appear on the ballot of the first statewide election occurring at least 131 days after the adoption of the proposal by the Legislature.

EXISTING FEDERAL LAW:

- 1) Prohibits a foreign national, directly or indirectly, from doing either of the following in connection with a federal, state, or local election:
 - a) Making a contribution or donation of money or other thing of value, or an express or implied promise to make a contribution or donation; or,
 - b) Making an expenditure, independent expenditure, or disbursement for an electioneering communication.
- 2) Prohibits a person from soliciting, accepting, or receiving a contribution or donation made by a foreign national in connection with a federal, state, or local election.
- 3) Defines "foreign national," for the purposes of the prohibitions described above, as either of the following:
 - a) A government of a foreign country; a foreign political party; or a partnership, association, corporation, organization, or other combination of persons organized under the laws of or having its principal place of business in a foreign country; or,
 - a)
 - b) An individual who is not a citizen or a national of the US and who is not lawfully admitted for permanent residence in the US.
- 4) Establishes the Federal Election Commission (FEC), and makes it responsible for the administration and enforcement of the Federal Election Campaign Act (FECA), including the restrictions on contributions and expenditures by foreign nationals described above.

FISCAL EFFECT: According to the Senate Appropriations Committee analysis:

- 1) The FPPC indicates that it would incur first-year costs of \$167,000 and ongoing annual costs of \$160,000 to implement the provisions of the bill (General Fund).
- 2) One-time costs in the range of \$414,000 to \$552,000 to the SOS for printing and mailing costs to place the measure on the ballot in the next statewide election (General Fund).

COMMENTS:

- 1) Purpose of the Bill: According to the author:

In the wake of the U.S. Supreme Court's Citizens United decision, local governments are increasingly reviewing their campaign finance ordinances in order to ensure the accountability of their elections. However, most California local governments do not have the option to offer any public funding to electoral campaigns, under an existing statewide ban.

Currently, six charter cities provide limited public funding to match small campaign contributions. These programs provide candidates with an alternative to relying on large campaign contributions and amplify the voices of everyday Californians who make small donations.

Unfortunately, other local governments are prohibited from offering public campaign funding, due to a provision adopted nearly 30 years ago as part of Proposition 73 in 1988. While charter cities such as [Los Angeles] are exempt under the state Constitution, general law cities, counties, districts, and the state government are covered by the current state ban. In fact, after voters in Sacramento County enacted public financing, the courts struck it down under Proposition 73.

SB 1107 would remove the ban on voluntary public campaign financing programs, subject to voter approval. Programs would have to meet basic criteria for fairness and accountability. SB 1107 does not create, or require any government to create, any public campaign financing program - it simply restores the option for local governments and the state.

Additionally, SB 1107 includes two other commonsense provisions to increase election accountability. The bill would require elected officials, who under current law are banned from running for office due to conviction of a specified felony such as bribery, to forfeit their campaign funds within six months, after paying debts or returning contributions, other than legal defense funds.

SB 1107 also would extend the current prohibition against foreign corporations or governments contributing to ballot measure campaigns to also include candidate campaigns, and would increase the maximum fine for violating that prohibition.

2) Public Financing and Proposition 73: In 1988, voters approved two separate campaign finance reform initiatives, Proposition 68 and Proposition 73. Proposition 68 proposed a system of public funding and expenditure limits for state legislative races, and passed with 53% of the vote. Proposition 73 prohibited public funding of campaigns and set contribution limits for state and local elections, and passed with 58% of the vote. The California State Supreme Court subsequently ruled in *Taxpayers to Limit Campaign Spending v. FPPC* (1990) 51 Cal. 3d 744, that because the two measures contained conflicting comprehensive regulatory schemes they could not be merged and only one could be implemented. As such, since Proposition 73 received more affirmative votes than Proposition 68, the Court ordered the implementation of Proposition 73 and proclaimed all provisions of Proposition 68 invalid.

In 1990, all state and local elections were conducted under the provisions of Proposition 73. Many of the provisions of Proposition 73 were ultimately ruled unconstitutional by the federal courts. The only provisions of Proposition 73 to survive legal challenge were contribution limits for special elections, restrictions on certain mass mailings by officeholders, and the prohibition on the use of public money for campaign purposes. The contribution limits for special elections that were included in Proposition 73 subsequently were repealed and replaced in another ballot measure.

Because of the public funding ban contained in Proposition 73, the state and most local governments in California do not have the option to offer public financing programs for electoral campaigns. While the California Supreme Court ruled that the public financing ban does not apply to charter cities (*Johnson v. Bradley* (1992) 4 Cal. 4th 389), a state appellate court has held that the public financing ban does apply to charter counties (*County of Sacramento v. Fair Political Practices Commission* (1990) 222 Cal. App. 3d 687). The California Constitution generally grants charter cities a greater degree of autonomy over local affairs than charter counties have, particularly with respect to local elections.

As a result, while charter cities in California can enact public campaign financing programs, general law cities, all counties, all districts, and the state government are covered by the current ban. According to information provided by the author's office, six charter cities currently provide limited public funding to match small campaign contributions (Los Angeles, Long Beach, Oakland, Richmond, Sacramento, and San Francisco).

3) Previous Measures to Permit Public Financing: On three previous occasions, California voters have rejected ballot measures that would have repealed the prohibition against public funding of campaigns that was included in Proposition 73. In all three cases, however, the ballot measures also proposed to enact specific public financing programs for state elections--something that this bill does not propose.

Proposition 25--an initiative measure that appeared on the March 2000 statewide primary election ballot--would have provided for public financing of campaign media advertisements and voter information packets for qualifying candidates and ballot measure committees that agreed to abide by spending limits and would have repealed the PRA's prohibition against public financing systems, among other provisions. Proposition 25 failed passage, receiving 34.7% of the vote statewide.

Proposition 89--an initiative measure that appeared on the November 2006 statewide general election ballot--would have created a public financing system for candidates for elective state office, and would have repealed the PRA's prohibition against public financing systems. Proposition 89 was defeated by the voters, receiving 25.7% of the vote statewide.

Proposition 15--a measure that was placed on the June 2010 statewide primary election ballot by the Legislature--would have created a public financing pilot project for candidates for SOS, and would have repealed the PRA's prohibition against public financing systems. Proposition 15 was defeated by the voters, receiving 42.7% of the vote statewide.

4) Foreign Campaign Spending, Federal Law, and Previous Legislation: As detailed above, federal law prohibits foreign nationals from making contributions in connection with federal, state, and local elections. According to information from the FEC, "[t]he ban on political contributions and expenditures by foreign nationals was first enacted in 1966 as part of the amendments to the Foreign Agents Registration Act (FARA), an 'internal security' statute. The goal of the FARA was to minimize foreign intervention in US elections by establishing a series of limitations on foreign nationals. These included registration requirements for the agents of foreign principals and a general prohibition on political contributions by foreign nationals. In 1974, the prohibition was incorporated into [FECA], giving the [FEC] jurisdiction over its enforcement and interpretation."

Until 2002, the restriction on contributions by foreign nationals specifically applied to

contributions made "in connection with an election to any political office." Because that language was limited to elections for office, it was the position of the FEC that contributions from foreign nationals relating exclusively to ballot measures were not restricted by federal law. (In 2002, the restriction on foreign contributions was amended to make it applicable to any contribution made "in connection with a Federal, State, or local election," though it is unclear whether that change was intended to cover ballot measure elections.)

In 1997, the Legislature approved and Governor Wilson signed SB 109 (Kopp), Chapter 67, Statutes of 1997, to prohibit foreign governments or foreign principals from making contributions, expenditures, or independent expenditures in connection with state or local ballot measures. The legislative history suggests that SB 109 did not seek to regulate foreign contributions made in connection with elections for office because such contributions were already restricted by federal law. Instead, SB 109 was limited to foreign spending in connection with ballot measure elections, thereby restricting foreign spending that was not covered by federal law.

Aside from the fact that state law is limited to foreign spending made in connection with ballot measures, state and federal law differ in one other important respect. While federal law restricts contributions and expenditures by foreign nationals, state law does not restrict contributions or expenditures by a foreign national who is an individual and who is legally present in the US. The initial version of SB 109 (and an unsuccessful bill from the prior legislative session) would have restricted contributions by foreign nationals who were legally present in the US, but that restriction was amended out of the bill to address opposition arguments that the restriction could be unconstitutional.

5) Recent Enforcement Action Related to Foreign Contributions: The FPPC recently brought an enforcement action for the first time in a case involving foreign contributions made in connection with a ballot measure. That enforcement action was initiated after the FEC considered an enforcement action of its own, and declined to take action in that case.

Measure B was a Los Angeles County initiative dealing with adult film production that appeared on the ballot at the November 2012 statewide general election. In October 2012, one of the proponents of Measure B filed a complaint with the FEC alleging that the committee opposing Measure B had received contributions made by a foreign national, and further alleging that those contributions violated FECA. In August 2014, the Associate General Counsel of the FEC recommended dismissing the complaint due in part to a "lack of clear legal guidance" on whether federal law restricts contributions made by foreign nationals in connection with ballot measures. The FEC was equally divided on whether to dismiss the complaint, and in March 2015, it ultimately closed the file on the complaint without taking further action.

In July 2015, after the FEC's action to close its file, the FPPC received a sworn complaint in connection with the same matter. Last December, the FPPC reached a stipulated settlement in that case. As detailed in that settlement, Manwin USA, a Delaware-based subsidiary of Manwin International, a Luxembourg-based corporation, made contributions totaling more than \$268,000 to the committee opposing Measure B. In addition, Froytal, a Cyprus-based subsidiary of Manwin International, made a contribution of \$75,000 to the committee opposing Measure B, although that contribution subsequently was returned by the committee. Even though Manwin USA was incorporated under Delaware-law, its contributions violated California law because it was a subsidiary of a foreign corporation and the decision to contribute funds was made by an officer of

the foreign corporation who was neither a US citizen nor a lawfully admitted permanent resident of the US.

The FPPC fined Manwin USA a total of \$20,000 for the unlawful contributions that it made, fined Froytal \$5,000 for the unlawful contribution that it made, and fined the committee opposing Measure B and its treasurer a total of \$20,000 for accepting unlawful contributions made by foreign principals. The FPPC also imposed an additional \$16,500 in fines for violations of reporting and disclosure laws that occurred in connection with the unlawful foreign contributions.

6) Suggested Amendments: As detailed above, this bill requires the SOS to submit its provisions to the voters for approval at a statewide election. According to the author's office, it is the author's desire for this bill to appear on the ballot at the November 2018 statewide general election.

Existing law, however, requires measures submitted to the people by the Legislature to appear on the ballot of the first statewide election occurring at least 131 days after the adoption of the proposal by the Legislature. Legislative measures that are chaptered on or before June 30, 2016, will appear on the ballot at the November 8, 2016, statewide election. Any legislative measure that is chaptered during the current legislative session, but after June 30, likely will appear on the ballot at the 2018 statewide primary election, unless the measure provides otherwise. (If the Governor called a statewide special election to be held prior to the June 2018 primary election, legislative measures could also appear on the ballot at that election.)

In order to ensure that this measure appears on the ballot at the November 2018 statewide general election, in accordance with the author's intent, committee staff recommends that this bill be amended to require the SOS to submit it to the voters at that election.

Furthermore, in order to clarify the method by which a dedicated fund may be established for the purposes of creating a public financing program, committee staff recommends the following technical amendment:

On page 3, line 8, after "purpose" insert: by statute, ordinance, resolution, or charter,

7) Related Legislation: AB 2250 (Ridley-Thomas), which is pending reconsideration on the Assembly Floor, is similar to the section of this bill that prohibits, under state law, foreign governments and foreign principals from making contributions or expenditures in connection with candidate elections. AB 2250 was approved by this committee on a 5-1 vote, but failed passage on the Assembly Floor on a 51-0 vote (54 votes were required for passage).

8) Political Reform Act of 1974: California voters passed an initiative, Proposition 9, in 1974 that created the FPPC and codified significant restrictions and prohibitions on candidates, officeholders and lobbyists. That initiative is commonly known as the PRA. Amendments to the PRA by the Legislature must further the purposes of the proposition and require a two-thirds vote of each house of the Legislature, or the Legislature may propose amendments to the proposition that do not further the purposes of the act by a majority vote, but such amendments must be approved by the voters to take effect. This bill would only take effect if approved by the voters.

REGISTERED SUPPORT / OPPOSITION:

Support

California Clean Money Campaign (co-sponsor)

California Common Cause (co-sponsor)

AARP

Alliance of Californians for Community Empowerment Action

American Civil Liberties Union of California

American Sustainable Business Council

Asian Americans Advancing Justice--California

Brennan Center for Justice at New York University School of Law

California Alliance for Retired Americans

California Church IMPACT

California Forward Action Fund

California League of Conservation Voters

California OneCare

California School Employees Association, AFL-CIO

CALPIRG

Campaign Legal Center

City and County of San Francisco

Courage Campaign

Franciscan Action Network

League of Women Voters of California

Los Angeles County Federation of Labor

Lutheran Office of Public Policy--California

MapLight

MOVI, Money Out Voters In

National Council of Jewish Women--California

Represent California

Represent.Us

San Francisco Bay Area Rapid Transit District

Sierra Club California

Southwest Voter Registration Education Project

UFCW Western States Council

Voices for Progress

Opposition

None on file.

Analysis Prepared by: Ethan Jones / E. & R. / (916) 319-2094

Recommendation(s)/Next Step(s):

CONSIDER recommending a position of "Support" on SB 1107 (Hancock, Chiu), as amended on 6/30/16, to the Board of Supervisors.

Attachments

Attachment A: Bill Text

Attachment B: Fact Sheet

Attachment C: Letter of support template

AMENDED IN ASSEMBLY JUNE 30, 2016

AMENDED IN ASSEMBLY JUNE 21, 2016

AMENDED IN SENATE MARCH 28, 2016

SENATE BILL

No. 1107

Introduced by Senator Allen
(Principal coauthor: Senator Hancock)
(Principal coauthor: Assembly Member Chiu)

February 17, 2016

An act to amend ~~Sections 85300 and 85320~~ *Section 85300* of, and to add ~~Sections 89519.5 and 91004.5~~ *Section 89519.5* to, the Government Code, relating to the Political Reform Act of 1974.

LEGISLATIVE COUNSEL'S DIGEST

SB 1107, as amended, Allen. Political Reform Act of 1974.

Existing law prohibits a person who has been convicted of a felony involving bribery, embezzlement of public money, extortion or theft of public money, perjury, or conspiracy to commit any of those crimes, from being considered a candidate for, or elected to, a state or local elective office. Existing law, the Political Reform Act of 1974, provides that campaign funds under the control of a former candidate or elected officer are considered surplus campaign funds at a prescribed time, and it prohibits the use of surplus campaign funds except for specified purposes.

This bill would prohibit an officeholder who is convicted of one of those enumerated felonies from using funds held by that officeholder's candidate controlled committee for purposes other than certain purposes permitted for the use of surplus campaign funds. The bill would also require the officeholder to forfeit any remaining funds held 6 months

after the conviction became final, and it would direct those funds to be deposited in the General Fund.

The Political Reform Act of 1974 prohibits a public officer from expending, and a candidate from accepting, public moneys for the purpose of seeking elective office.

This bill would permit a public officer or candidate to expend or accept public moneys for the purpose of seeking elective office if the state or a local governmental entity established a dedicated fund for this purpose, as specified.

~~The act prohibits a foreign government or principal, as defined, from making a contribution or expenditure in connection with a state or local ballot measure, and it also sets forth civil and criminal penalties for violations of the act's provisions.~~

~~This bill would expand the scope of the prohibitions relating to foreign governments and principals by also prohibiting a foreign government or principal from making a contribution in support of, or opposition to, a state or local candidate. It would also permit a greater criminal penalty to be imposed for a violation of that prohibition, and it would establish the amount of a civil penalty for a violation of the prohibition.~~

A violation of the act's provisions is punishable as a misdemeanor. By expanding the scope of an existing crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

~~The Political Reform Act of 1974, an initiative measure, provides that the act may be amended by a statute that becomes effective upon approval of the voters.~~

~~This bill would require the Secretary of State to submit the bill to the voters for approval at the November 6, 2018, statewide general election.~~

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a ²/₃ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

Vote: ~~majority~~²/₃. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 *SECTION 1. The Legislature finds and declares all of the*
2 *following:*

3 *(a) All citizens should be able to make their voices heard in the*
4 *political process and hold their elected officials accountable.*

5 *(b) Elections for local or state elective office should be fair,*
6 *open, and competitive.*

7 *(c) The increasing costs of political campaigns can force*
8 *candidates to rely on large contributions from wealthy donors and*
9 *special interests, which can give those wealthy donors and special*
10 *interests disproportionate influence over governmental decisions.*

11 *(d) Such disproportionate influence can undermine the public's*
12 *trust that public officials are performing their duties in an impartial*
13 *manner and that government is serving the needs and responding*
14 *to the wishes of all citizens equally, without regard to their wealth.*

15 *(e) Special interests contribute more to incumbents than*
16 *challengers because they seek access to elected officials, and such*
17 *contributions account for a large portion of the financial*
18 *incumbency advantage, as confirmed by recent studies such as*
19 *those published in the Journal of Politics in 2014 and Political*
20 *Research Quarterly in 2016.*

21 *(f) Citizen-funded election programs, in which qualified*
22 *candidates can receive public funds for the purpose of*
23 *communicating with voters rather than relying exclusively on*
24 *private donors, have been enacted in six charter cities in*
25 *California, as well as numerous other local and state jurisdictions.*

26 *(g) Citizen-funded election programs encourage competition*
27 *by reducing the financial advantages of incumbency and making*
28 *it possible for citizens from all walks of life, not only those with*
29 *connections to wealthy donors or special interests, to run for office,*
30 *as confirmed by recent studies such as those published in State*
31 *Politics and Policy Quarterly in 2008, and by the Campaign*
32 *Finance Institute in 2015 and the National Institute of Money in*
33 *State Politics in 2016.*

34 *(h) By reducing reliance on wealthy donors and special interests,*
35 *citizen-funded election programs inhibit improper practices,*
36 *protect against corruption or the appearance of corruption, and*
37 *protect the political integrity of our governmental institutions.*

(i) *In Johnson v. Bradley* (1992) 4 Cal.4th 389, the California Supreme Court commented that “it seems obvious that public money reduces rather than increases the fund raising pressures on public office seekers and thereby reduces the undue influence of special interest groups.”

(j) *In Buckley v. Valeo* (1976) 424 U.S. 1, the United States Supreme Court recognized that “public financing as a means of eliminating improper influence of large private contributions furthers a significant governmental interest.”

(k) *In Arizona Free Enterprise v. Bennett* (2011) 564 U.S. 721, the United States Supreme Court acknowledged that public financing of elections “can further ‘significant governmental interest[s]’ such as the state interest in preventing corruption,” quoting *Buckley v. Valeo*.

(l) *In Buckley v. Valeo*, the United States Supreme Court further noted that citizen-funded elections programs “facilitate and enlarge public discussion and participation in the electoral process, goals vital to a self-governing people.”

(m) The absolute prohibition on public campaign financing allows special interests to gain disproportionate influence and unfairly favors incumbents. An exception should be created to permit citizen-funded election programs so that elections may be conducted more fairly.

SECTION 1.

SEC. 2. Section 85300 of the Government Code is amended to read:

85300. (a) Except as provided in subdivision (b), a public officer shall not expend, and a candidate shall not accept, any public moneys for the purpose of seeking elective office.

(b) A public officer or candidate may expend or accept public moneys for the purpose of seeking elective office if the state or a local governmental entity establishes a dedicated fund for this purpose by statute, ordinance, resolution, or charter, and both of the following are true:

(1) Public moneys held in the fund are available to all qualified, voluntarily participating candidates for the same office without regard to incumbency or political party preference.

(2) The state or local governmental entity has established criteria for determining a candidate’s qualification by statute, ordinance, resolution, or charter.

1 ~~SEC. 2. Section 85320 of the Government Code is amended~~
2 ~~to read:~~

3 ~~85320. (a) A foreign government or foreign principal shall~~
4 ~~not make, directly or through any other person, any contribution,~~
5 ~~expenditure, or independent expenditure in connection with the~~
6 ~~qualification or support of, or opposition to, a state or local~~
7 ~~candidate or ballot measure.~~

8 ~~(b) A person or a committee shall not solicit or accept a~~
9 ~~contribution from a foreign government or foreign principal in~~
10 ~~connection with the qualification or support of, or opposition to,~~
11 ~~a state or local candidate or ballot measure.~~

12 ~~(c) For the purposes of this section, a “foreign principal”~~
13 ~~includes the following:~~

14 ~~(1) A foreign political party.~~

15 ~~(2) A person outside the United States, unless either of the~~
16 ~~following is established:~~

17 ~~(A) The person is an individual and a citizen of the United~~
18 ~~States.~~

19 ~~(B) The person is not an individual and is organized under or~~
20 ~~created by the laws of the United States or of any state or other~~
21 ~~place subject to the jurisdiction of the United States and has its~~
22 ~~principal place of business within the United States.~~

23 ~~(3) A partnership, association, corporation, organization, or~~
24 ~~other combination of persons organized under the laws of or having~~
25 ~~its principal place of business in a foreign country.~~

26 ~~(4) A domestic subsidiary of a foreign corporation if the decision~~
27 ~~to contribute or expend funds is made by an officer, director, or~~
28 ~~management employee of the foreign corporation who is neither~~
29 ~~a citizen of the United States nor a lawfully admitted permanent~~
30 ~~resident of the United States.~~

31 ~~(d) This section does not prohibit a contribution, expenditure,~~
32 ~~or independent expenditure made by a lawfully admitted permanent~~
33 ~~resident.~~

34 ~~(e) A person who violates this section is guilty of a misdemeanor~~
35 ~~and shall be fined the greater of ten thousand dollars (\$10,000) or~~
36 ~~an amount equal to the amount contributed or expended.~~

37 ~~SEC. 3. Section 89519.5 is added to the Government Code, to~~
38 ~~read:~~

39 ~~89519.5. (a) An officeholder who is convicted of a felony~~
40 ~~enumerated in Section 20 of the Elections Code, and whose~~

conviction has become final, shall use funds held by the officeholder's candidate controlled committee only for the following purposes:

(1) The payment of outstanding campaign debts or elected officer's expenses.

(2) The repayment of contributions.

(b) Six months after the conviction becomes final, the officeholder shall forfeit any remaining funds subject to subdivision (a), and these funds shall be deposited in the General Fund.

(c) This section does not apply to funds held by a ballot measure committee or in a legal defense fund formed pursuant to Section 85304.

~~SEC. 4. Section 91004.5 is added to the Government Code, to read:~~

~~91004.5. (a) A person who intentionally violates Section 85320 is liable in a civil action brought by the civil prosecutor, for each violation, for the greater of ten thousand dollars (\$10,000) or an amount equal to the amount contributed or expended.~~

~~(b) The civil prosecutor may not bring an action pursuant to this section against a person being criminally prosecuted for a violation of Section 85320 pursuant to Section 91000.~~

~~(c) This section is applicable only to violations occurring after the effective date of this section.~~

~~SEC. 5.~~

~~SEC. 4.~~ The provisions of this bill are severable. If any provision of this bill or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

~~SEC. 6. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the duties imposed on a local agency or school district by this act were expressly included in a ballot measure approved by the voters in a statewide election, within the meaning of Section 17556 of the Government Code.~~

~~SEC. 7. Notwithstanding Section 9040 of the Elections Code, the Secretary of State shall, pursuant to subdivision (b) of Section 81012 of the Government Code, submit this act to the voters for approval at the November 6, 2018, statewide general election.~~

~~SEC. 5. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because~~

1 *the only costs that may be incurred by a local agency or school*
2 *district will be incurred because this act creates a new crime or*
3 *infraction, eliminates a crime or infraction, or changes the penalty*
4 *for a crime or infraction, within the meaning of Section 17556 of*
5 *the Government Code, or changes the definition of a crime within*
6 *the meaning of Section 6 of Article XIII B of the California*
7 *Constitution.*
8 *SEC. 6. The Legislature finds and declares that this bill furthers*
9 *the purposes of the Political Reform Act of 1974 within the meaning*
10 *of subdivision (a) of Section 81012 of the Government Code.*

O


www.commoncause.org

SB 1107: Strengthen Election Accountability

Voters are increasingly concerned about the influence of money in politics. According to recent polls by the Pew Research Center and *The New York Times*:

- **84%** of Americans say that money has too much influence in political campaigns today.
- **76%** say money has a greater influence on politics and elected officials than in the past.
- **85%** believe that we need to make fundamental changes or completely rebuild the system for funding political campaigns.

SB 1107 would provide local options to strengthen election accountability

SB 1107 (Allen) would **restore local control** over campaign finance policies.

SB 1107 would permit counties, districts, general law cities, or the state to enact citizen-funded election programs, like those already in place in six charter cities. The bill would update a 28-year-old state law, which caused courts to strike down a locally-enacted county ordinance, to restore local control.

SB 1107 *would not* create a public financing program, *would not* require any government to offer public financing, and **would not raise any taxes or fees**. It would simply permit local governments or the state the option to enact their own citizen-funded election programs, tailored to their local community.

Studies of existing citizen-funded election programs have found benefits including reducing candidates' reliance on wealthy donors and special interests, increasing the diversity of candidates and donors, encouraging greater competition, reducing the pressure for candidates to fundraise, strengthening the connections between elected officials and constituents, and fostering broader electoral participation.

SB 1107 includes protections for public accountability and political fairness. The bill would ensure that any public funds may not be used to advantage any political party or to advantage challengers or incumbents. And any system would be **voluntary: SB 1107 would allow local governments to decide**.

SB 1107 is supported by organizations including the League of Women Voters of California, Southwest Voter Registration Education Project, Asian Americans Advancing Justice – California, PICO California, Alliance of Californians for Community Empowerment, ACLU of California, and the UFCW Western States Council. As of July 5, 2016, the bill has no organizations registered in opposition.

July [REDACTED], 2016

The Honorable Ben Allen
State Capitol, Room 2054
Sacramento, CA 95814

RE: Senate Bill 1107 – accountable elections – SUPPORT

Dear Senator Allen,

On behalf of [REDACTED], I am writing with a letter of support for Senate Bill 1107, which would restore control to local governments and the state to enact new options for election campaign funding. Thank you for your leadership on this bill.

In response to voters' rising concern about money in politics, we believe that governments should act to strengthen the public's trust. SB 1107 would restore a crucial election accountability option to local governments by removing the ban on public campaign funds.

Citizen-funded election programs can amplify the voices of everyday Californians who donate small amounts, encourage more diverse participation, and give candidates an alternative to relying on large contributions. Although six charter cities offer limited public funds to match small campaign donations, current state law bans counties, districts, general law cities, and the state from enacted citizen-funded election programs.

SB 1107 would remove the ban on voluntary citizen-funded election programs. SB 1107 would not enact public financing, but would simply remove the ban and permit local governments or the state, if they so choose, to create public financing programs.

Voters in 1988 could have not envisioned the multi-million dollar SuperPACs that exist in 2016. It is time for the Legislature to bring our campaign finance laws into the 21st century. [REDACTED] strongly supports SB 1107 and we urge its expeditious passage.

Sincerely,

[REDACTED]



Contra Costa County Board of Supervisors

Subcommittee Report

LEGISLATION COMMITTEE

7.

Meeting Date: 07/11/2016
Subject: Private Activity Bonds for Government Buildings
Submitted For: LEGISLATION COMMITTEE,
Department: County Administrator
Referral No.: 2016-24
Referral Name: Private Activity Bonds for Government Buildings
Presenter: Lara DeLaney **Contact:** L. DeLaney, 925-335-1097

Referral History:

H.R.5361 was introduced in House on May 26, 2016 and would amend the Internal Revenue Code of 1986 to provide for the tax-exempt financing of certain government-owned buildings. The County Administrator has recommended that the Committee consider including support for legislation that would create a new category of private activity bonds for governments to join with private parties to help finance government buildings. This would require an amendment to the adopted 2016 Federal Platform by the Board of Supervisors.

Referral Update:

Proposed policy amendment for the Federal Platform:

Private Activity Bonds for Government Buildings – The County will support legislation that would create a new category of private activity bonds for governments to join with private parties to help finance government buildings. The tax-exempt bonding mechanism would allow state and local governments to issue private activity bonds to finance the construction and upkeep of certain publicly owned buildings. The County will support amending the federal tax code to provide another layer of tax-exempt financing that would encourage the use of public-private partnerships.

Attachment A includes the text of H.R. 5361.

Attachment B includes a redlined version of the the amended Federal Platform.

Recommendation(s)/Next Step(s):

RECOMMEND to the Board of Supervisors an amendment to the County's adopted Federal Platform to include support for creating a new category of private activity bonds for governments to join with private parties to help finance government buildings, as recommended by CAO staff.

Attachments

Attachment A: H.R. 5361 bill text

Attachment B: Adopted Federal Platform, redlined revision

114TH CONGRESS
2D SESSION

H. R. 5361

To amend the Internal Revenue Code of 1986 to provide for the tax-exempt financing of certain government-owned buildings.

IN THE HOUSE OF REPRESENTATIVES

MAY 26, 2016

Mr. KELLY of Pennsylvania (for himself, Mr. BLUMENAUER, Mr. NOLAN, Mr. HASTINGS, Mr. KIND, and Mr. ZELDIN) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1986 to provide for the tax-exempt financing of certain government-owned buildings.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. TAX-EXEMPT FINANCING OF QUALIFIED GOV-**
4 **ERNMENT BUILDINGS.**

5 (a) IN GENERAL.—Section 142(a) of the Internal
6 Revenue Code of 1986 is amended by striking “or” at the
7 end of paragraph (14), by striking the period at the end
8 of paragraph (15) and inserting “, or”, and by adding at
9 the end the following new paragraph:

1 “(16) qualified government buildings.”.

2 (b) QUALIFIED GOVERNMENT BUILDINGS.—Section
3 142 of such Code is amended by adding at the end the
4 following new subsection:

5 “(n) QUALIFIED GOVERNMENTAL BUILDINGS.—

6 “(1) IN GENERAL.—For purposes of subsection
7 (a)(16), the term ‘qualified governmental buildings’
8 means any building or facility that consists of one
9 or more of the following:

10 “(A) An elementary school or a secondary
11 school (within the meanings given such terms
12 by section 14101 of the Elementary and Sec-
13 ondary Education Act of 1965 (20 U.S.C.
14 8801), as in effect on the date of the enactment
15 of this subsection).

16 “(B) Facilities of a State college or univer-
17 sity used for educational purposes.

18 “(C) A library maintained for, and open
19 to, the general public.

20 “(D) A Court of law.

21 “(E) A hospital, health care facilities, lab-
22 oratory facilities or research facilities.

23 “(F) Public safety facilities (including po-
24 lice, fire, enhanced 911, emergency or disaster
25 management, and ambulance or emergency

1 medical service facilities and jails and correc-
2 tional facilities).

3 “(G) Offices for employees of a govern-
4 mental unit.

5 Such term shall include any equipment, functionally
6 related and subordinate facility, or land (and any
7 real property rights appurtenant thereto) with re-
8 spect to any such building or facility.

9 “(2) SPECIFICALLY EXCLUDED FACILITIES.—
10 Such term shall not include—

11 “(A) a building or facility the primary pur-
12 pose of which is one of the following: retail food
13 and beverage services, or the provision of recre-
14 ation or entertainment, or

15 “(B) any building or facility that includes
16 any of the following: any private or commercial
17 golf course, country club, massage parlor, ten-
18 nis club, skating facility (including roller skat-
19 ing, skateboard, and ice skating), racquet
20 sports facility (including any handball or
21 racquetball court), hot tub facility, suntan facil-
22 ity, racetrack, convention center, or sports sta-
23 dium or arena.

1 “(3) NATIONAL LIMITATION ON AMOUNT OF
2 TAX-EXEMPT FINANCING FOR QUALIFIED GOVERN-
3 MENTAL BUILDING.—

4 “(A) NATIONAL LIMITATION.—The aggre-
5 gate amount allocated by the Secretary under
6 subparagraph (C) shall not exceed
7 \$5,000,000,000.

8 “(B) ENFORCEMENT OF NATIONAL LIM-
9 TATION.—An issue shall not be treated as an
10 issue described in subsection (a)(16) if the ag-
11 gregate face amount of bonds issued pursuant
12 to such issue for any qualified governmental
13 building (when added to the aggregate face
14 amount of bonds previously so issued for such
15 facility) exceeds the amount allocated to such
16 qualified governmental building under subpara-
17 graph (C).

18 “(C) ALLOCATION BY THE SECRETARY.—
19 The Secretary shall allocate a portion of the
20 amount described in subparagraph (A) to a
21 qualified governmental building if the Secretary
22 determines that—

23 “(i) the application for financing of
24 such qualified governmental building meets

1 the requirements set forth in subparagraph
2 (D), and

3 “(ii) the amount of the allocation re-
4 quested, if allocated by the Secretary,
5 would not cause the national limitation set
6 forth in subparagraph (A) to be exceeded.

7 “(D) APPLICATIONS FOR FINANCING.—An
8 application for financing a qualified govern-
9 mental building meets the requirements of this
10 subparagraph if such application includes—

11 “(i) the amount of the allocation re-
12 quested,

13 “(ii) the name of the governmental
14 unit that will own the project, together
15 with complete contact information,

16 “(iii) a description of the project as a
17 whole and the proposed organizational and
18 legal structure of the project,

19 “(iv) a timeline showing the estimated
20 start and completion dates for each major
21 phase or milestone of project development
22 and an indication of the current status of
23 milestones on this timeline, including all
24 necessary permits and environmental ap-
25 provals,

1 “(v) a statement of anticipated
2 sources and uses of funds for the project,
3 and

4 “(vi) the following declaration signed
5 by an individual who has personal knowl-
6 edge of the relevant facts and cir-
7 cumstances: “Under penalties of perjury, I
8 declare that I have examined this docu-
9 ment and, to the best of my knowledge and
10 belief, the document contains all the rel-
11 evant facts relating to the document, and
12 such facts are true, correct, and complete.”

13 “(E) USE OF ALLOCATION IN A TIMELY
14 MANNER.—If, following an allocation by the
15 Secretary under subparagraph (C), bonds are
16 not issued in the amount of such allocation
17 after the date that is 2 years after the date of
18 such allocation, then the unused portion of the
19 allocation shall be withdrawn, unless the Sec-
20 retary, upon a showing of good cause by the ap-
21 plicant, grants an extension of such date.

22 “(4) EXCEPTION FOR CURRENT REFUNDING
23 BONDS.—Paragraph (4) shall not apply to any bond
24 (or series of bonds) issued to refund a bond issued
25 under subsection (a)(16) if—

1 “(A) the average maturity date of the issue
 2 of which the refunding bond is a part is not
 3 later than the average maturity date of the
 4 bonds to be refunded by such issue,

5 “(B) the amount of the refunding bond
 6 does not exceed the outstanding amount of the
 7 refunded bond, and

8 “(C) the refunded bond is redeemed not
 9 later than 90 days after the date of the
 10 issuance of the refunding bond.

11 For purposes of subparagraph (A), average maturity
 12 shall be determined in accordance with section
 13 147(b)(2)(A).

14 “(5) OFFICE SPACE.—Subsection (b)(2) shall
 15 not apply with respect to any qualified governmental
 16 building.

17 “(6) NO DEPRECIATION OR INVESTMENT CRED-
 18 IT.—No depreciation, amortization, or business cred-
 19 it under section 38 shall be allowed with respect to
 20 any facility described in subsection (a)(16) which
 21 has been financed by the net proceeds of the issue
 22 for so long as such bonds are outstanding.”.

23 (c) GOVERNMENTALLY OWNED REQUIREMENT.—
 24 Section 142(b)(1)(A) of such Code is amended by striking
 25 “or (12)” and inserting “(12), or (16)”.

1 (d) EXEMPTION FROM VOLUME CAP ON PRIVATE
2 ACTIVITY BONDS.—Section 146(g)(3) of such Code is
3 amended by striking “or (15)” and inserting “(15), or
4 (16)”.

5 (e) EFFECTIVE DATE.—The amendments made by
6 this section shall apply to bonds issued after the date of
7 the enactment of this Act.

○

2016 FEDERAL LEGISLATIVE PLATFORM POLICY POSITIONS

The following support positions are listed in alphabetic order and do not reflect priority order. Please note that new and revised policy positions are highlighted.

Affordable Housing and Homeless Programs –For Housing and Urban Development (HUD)’s Homeless Assistance Grants, the County will support funding that does not include set-asides or other requirements that limit local communities’ ability to respond to the particular needs in their areas. For the Housing Assistance for People with AIDS (HOPWA) program, the County will support legislation to update the formula used to allocate HOPWA grants to reflect local housing costs as well as the number of AIDS cases.

The County supports full funding for HUD homeless assistance programs and funding for full implementation of the Homeless Emergency and Rapid Transition to Housing (HEARTH) Act of 2009.

The County supports funding the National Affordable Housing Trust Fund. Resources made available through the Trust Fund should be accessible to local housing and community development agencies, including public housing authorities. **The Housing Trust Fund should be used to complement and not supplant either the HOME or CDBG programs.**

Agricultural Pest and Disease Control – Agriculture and native environments in Contra Costa County continue to be threatened by a variety of invasive/exotic pests, diseases and non-native weeds. The Federal government provides funding for research, regulation, pest exclusion activities, survey and detection, pest management, weed control, public education and outreach. The County will support funding in all these areas for protection of our agricultural industry and open space. Consistent with the policy position, the County will also support legislation which would authorize and direct the USDA to provide state and local funding for High Risk Prevention programs (also called Pest Detection Funding).

Beneficial Use of Dredged Materials – As the beneficial reuse of dredged materials has a clear public benefit, particularly in the Delta, the County will continue to support beneficial reuse in general and also continue to advocate for funding for a federal study to determine the feasibility of beneficial reuse, considering the benefits and impacts to water quality and water supply in the Delta, navigation, flood control damage, ecosystem restoration, and recreation. The study would include the feasibility of using Sherman Island as a rehandling site for the dredged material, for levee maintenance and/or ecosystem restoration. Language to authorize the study was included in the Water Resources and Development Act (WRDA) which was passed into law on November 8, 2007.

Broadband – Consistent with CSAC policy, Contra Costa County will support the expansion of broadband (high speed internet service) to drive economic development and job opportunities, support county service delivery, and improve health, education and public safety outcomes for residents. **For communities to realize these full benefits of broadband it must be capable of supporting current technology.**

Access and adoption are both necessary elements that should be supported in state and federal legislative or regulatory proposals. This entails the following:

- Establishing and maintaining reliable broadband in unserved or underserved communities;
- Promoting the knowledge, skills and behaviors that comprise digital literacy;
- Making broadband affordable for all households;
- Maximizing funding for infrastructure; and
- Reducing infrastructure deployment barriers.

Child Care – Research continues to show that quality, affordable childcare is a necessity to ensuring a family’s stability and economic success. Currently in Contra Costa County, there are over 10,000 low-income children eligible for affordable childcare services, yet only 29% of that need is met. Research also shows that in addition to a child’s long-term success with school and employment, investing in high-quality early care and education results in a higher than average return on investments in the areas of crime reduction and positive health, education and economic outcomes.

With regards to childcare, the County will support the President’s “Preschool for All” Initiative meant to close America’s school readiness gap and ensure all children have access to quality care by expanding high quality learning opportunities for children 0-5. This proposal includes:

- An increase of over 100,000 new childcare slots and \$12 billion over the next 10 years;
- A focus on children and their families who are at or below 200% of poverty;
- Financing through a new cost-sharing partnership with states, already a proven successful model with Head Start in Contra Costa County.

The County will also advocate for the following federal actions:

- Increase funding to support employment of low-income families through greater access to child care subsidies, and increase the access of children from eligible families to high-quality care that supports positive child development outcomes.
- Provide flexibility at the state and local levels so that quality care can be balanced with access and parental choice.

Child Support –The County will advocate for the following federal actions:

- Eliminate the \$25 fee for non-IV-A families.
- Restore the incentive match payments that were prohibited in the Deficit Reduction Act.
- Allow the automatic use of cash medical support to reimburse Medicaid expenditures.
- Allow IV-D agencies to access Health Insurance records for the purposes of Medical Support.

Child Welfare and Well-being –The County will advocate for the following federal actions:

- Provide states with financial incentives, as opposed to monetary penalties, under the Child and Family Services Reviews and minimize the significant administrative burden associated with the review process.
- End Title IV-E disallowances from federal audits that take away funds from an already resource-strapped child welfare system. Allow states to reinvest these funds in preventing child abuse and neglect.
- Increase prevention dollars to help maintain children safely in their own homes. Federal funding currently gives disproportional support to out-of-home care rather than to preventing children from coming into care.
- Any increase in Federal Medical Assistance Percentage should include an associated increase in the Title IV-E matching rate to help support children in foster care.

Community Development Block Grant and HOME Programs – The County’s ability to continue funding to a variety of nonprofit agencies that provide critical safety net services to lower income residents, including financing the development of affordable housing is threatened by further cuts as part of the Budget Control Act (Act) passed by Congress in July 2011. The Act established mandatory spending caps on most federal programs through 2021, and arranged additional across-the-board annual spending cuts to federal defense and non-defense discretionary (NDD) programs over this same period.

Included in non-defense discretionary programs are critical local government oriented programs including the CDBG and HOME programs. These programs are successful and productive, leveraging significant funding from non-federal sources to help spur economic development. The County agrees that reducing the federal deficit is an important component of achieving long-term national economic stability, but targeting solely NDD programs like the CDBG and HOME programs will not achieve significant reductions and will hinder the County’s ability to provide critical services to its most vulnerable populations. The County will continue to oppose any further reductions in the CDBG and HOME programs as part of the Budget Control Act or any other means.

Cost Shifts to Local and State Government – Contra Costa County performs many of its services and programs pursuant to federal direction and funding. Other services and programs are performed at the behest of the state, which receives funding through the federal government. In the past, the Administration’s budget has contained significant cuts to entitlement programs and/or caps on entitlements. Such actions could shift cost of services from the federal government to the state and/or local governments (and to the extent that costs would shift to the state, it is highly likely that these would be passed on to the County). The County will oppose any actions that would result in cost shifts on federal entitlement programs or which would result on greater dependency on county funded programs. In addition, the County will support federal and state financial assistance to aid county and local government efforts to meet unfunded

federal mandates, such as those contained in the National Response Plan (NRP), the National Infrastructure Protection Plan (NIPP), and the National Incident Management System.

Criminal Debt Collection – Nonpayment of court-ordered victim restitution, fines and fees is a problem of epidemic proportions for all jurisdictions. Literally billions of dollars go uncollected each year across the country, resulting not only in financial suffering of victims, but also the loss of public revenue. Many states already allow for the offset of State Tax Refunds, and these programs are successful in achieving revenue recovery. Federal Tax Refunds are already being successfully offset to pay for delinquent child support. The County will support amendments to the Internal Revenue Code of 1986 to allow an offset against income tax refunds to pay for court-ordered debts that are past-due.

Delta Water Platform

To protect the Sacramento-San Joaquin Delta from various detrimental forces that are affecting its health and resources, it is the policy of Contra Costa County to support implementation of projects and actions that will help improve the Delta ecosystem and the economic conditions of the Delta. Contra Costa County has developed a Delta Water Platform to identify and promote activities and policy positions that support the creation of a healthy Sacramento-San Joaquin Delta. Contra Costa County will use this Platform to guide its own actions and advocacy in other public venues regarding the future of the Delta.

Designation of Indian Tribal Lands and Indian Gaming – The Board of Supervisors has endorsed the California State Association of Counties' (CSAC) policy documents regarding development on tribal land and prerequisites to Indian gaming. These policy statements address local government concerns for such issues as the federal government's ability to take lands into trust and thus remove them from local land use jurisdiction, absent the consent of the state and the affected county; the need for tribes to be responsible for all off-reservation impacts of their actions; and assurance that local government will be able to continue to meet its governmental responsibilities for the health, safety, environment, infrastructure and general welfare of all members of its communities. The County will continue to advocate for federal legislation and regulation that supports the CSAC policy documents.

The County will also advocate for limitations on reservation shopping; tightening the definition of Class II gaming machines; assuring protection of the environment and public health and safety; and full mitigation of the off-reservation impacts of the trust land and its operations, including the increased cost of services and lost revenues to the County.

The County will also advocate for greater transparency, accountability and appeal opportunities for local government in the decision-making processes that permit the establishment of Indian gaming facilities. This includes sequencing the processes so that the Indian Lands Determination comes first, prior to initiation of a trust land request and associated environmental review.

The County will also consider support for federal action and/or legislation that allows Class III gaming at the existing gaming facility only if it can be shown that any change would result in a

facility that would be unique in nature and the facility can demonstrate significant community benefits above and beyond the costs associated with mitigating community impacts.

Economic Development Programs – Congress should fund all the complementary programs within HUD’s community and economic development toolkit, ensuring that HUD does not lose sight of the development component of its mission. To that end, the County will support continued funding for the Section 108 loan guarantee program, the Brownfields Economic Development Initiative and the Rural Housing and Economic Development program. Each of these programs plays a unique role in building stronger, more economically viable communities, while enabling communities to leverage external financing in a way the CDBG program alone cannot do.

Federal “Statewideness” Requirements – For many federally funded programs, there is a “statewideness” requirement; i.e., all counties must operate the specific program under the same rules and regulations. This can hamper the County’s ability to meet local needs, to be cost effective and to leverage the funding of one program to reduce costs in another program. Contra Costa County cannot negotiate for federal waivers or do things differently because it is not a state, yet its population is greater than seven states. Recognizing this is a very long-term effort, the County will advocate for relaxation of the “statewideness” rule to allow individual counties or a consortium of counties to receive direct waivers from the federal government and/or adopt the rules and regulations currently in use in another state for specific programs.

Habitat Conservation Planning – The County will advocate for elevating the profile of Habitat Conservation Plans (HCPs) such as the East Contra Costa County HCP within Congress and Administration so that these critical federal/state/local partnerships can receive necessary attention and support. HCPs are flagship programs for the federal government and supporting effective implementation of approved HCPs should be a top priority for the U.S. Department of the Interior and U.S. Fish and Wildlife Service and HCPs should be a key tool in any federal climate change or economic stimulus legislation.

Health – The County will advocate for the following actions by the federal government: a) provide enhanced Medicaid FMAP (the "Federal Medical Assistance Percentage" for Medicaid. It is the federal matching rate for state Medicaid expenditures.); b) suspend the Medicare “clawback” rule; c) suspend the “60-day rule” that requires states to repay the federal government overpayments identified by the state prior to collection, and even in instances where the state can never collect; d) ease the ability to cover those eligible for Medicaid by making documentation requirements less stringent; and e) prevent the implementation of the following seven federal regulations:

- Outpatient hospital
- Case Management
- School Based Administration & Transportation
- Public Provider Cost Limit
- Graduate Medical Education
- Rehabilitation Services Option
- Provider Tax

SUPPORT full funding of the Federal Medicaid program by the federal government. Medicaid provides access to health care for people whose income and resources are insufficient to pay for health care. It is jointly funded by Federal and State governments. The Patient Protection and Affordable Care Act (also known as the ACA) significantly expanded both eligibility for and federal funding of Medicaid. OPPOSE amendments to the ACA that would reduce support for Medicaid/Medi-Cal payments to providers.

Levee Restoration and Repair – The County will support legislation such as H.R. 6484, the SAFE Levee Act (Garamendi) in 2012, which will authorize the U.S. Department of the Interior to invest in Delta levee repairs, for all levees that are publicly owned or publicly maintained. The bill also requires a cost-benefit analysis for the tunnel project being planned as part of the Bay-Delta Conservation Plan.

Pension – The County will support legislation that would modify the Internal Revenue Code and corresponding regulations to permit public employees to make an irrevocable election between their current pension formula and a less rich pension formula.

In 2006, Contra Costa County and the Deputy Sheriff's Association jointly obtained state legislation that would allow members of the Association to make a one-time irrevocable election between their current pension formula and a less rich pension formula, called Tier C. Orange County and its labor organizations obtained similar legislation in 2009. However, neither County has been able to implement this state legislation because such elections currently have negative tax consequences for employees and for retirement plans under federal tax law as interpreted by the Internal Revenue Service.

Like many local government entities nationwide, the County's fiscal position would benefit greatly from reduced pension costs. Allowing local government entities to implement collective bargaining agreements and state legislation that permits employees to elect less rich pension formulas would be a significant step in reducing pension costs.

Private Activity Bonds for Government Buildings – The County will support legislation that would create a new category of private activity bonds for governments to join with private parties to help finance government buildings. The tax-exempt bonding mechanism would allow state and local governments to issue private activity bonds to finance the construction and upkeep of certain publically owned buildings. The County will support amending the federal tax code to provide another layer of tax-exempt financing that would encourage the use of public-private partnerships.

Public Housing Programs – The County will support legislation that results in the transformation of existing programs to improve their effectiveness and efficiency, in tandem with the design of new and innovative responses, both to build upon recent progress and address outstanding issues.

The County will support legislation to protect the nation's investment in Public Housing:

- Enact affordable housing industry proposal to allow public housing agencies (PHAs) to voluntarily convert public housing units to Section 8 project-based rental assistance in order to preserve this vital component of the national infrastructure.
- Oppose the Administration's proposal to impose a \$1 billion offset against the operating reserves of responsible, entrepreneurial PHAs.
- Support the revitalization of severely distressed public housing units.
- Address safety and security concerns connected to drug-related crime.

The County will support legislation to preserve vital community and economic development programs:

- Fully fund the Community Development Block Grant Program in order to create and save jobs, revitalize local economies, and support critical services for vulnerable populations.
- Maintain funding for HUD's cost-effective economic development tools.

The County will support legislation to strengthen and simplify the Section 8 Rental Assistance programs:

- Provide adequate funding for Housing Assistance Payment contract renewals and ongoing administrative fees.
- Enact the Section Eight Voucher Reform Act (SEVRA).
- Implement overdue regulatory and administrative revisions that ensure the efficient use of program funds.

The County will support legislation to expand Affordable Housing Opportunities and combat homelessness:

- Fully fund the Home Investment Partnerships Program and HUD's homeless assistance programs.
- Capitalize the Housing Trust Fund through a revenue-neutral approach.
- Preserve and strengthen the Low Income Housing Tax Credit Program.

The County will support legislation to foster innovation, increase efficiency, and streamline the regulatory environment:

- Promote reasonable and flexible federal oversight.
- Incentivize green building and increased Energy Efficiency.

- Support HUD's ongoing transformation efforts.
- Ensure that HUD releases and distributes federal funding in a timely manner.
- Eliminate statutory and regulatory barriers that prevent PHAs and redevelopment authorities from accessing federal programs they are qualified to administer.

Rail Safety – Contra Costa County is home to a substantial oil refinery industry with four refineries located in the County. The County supports Senator Heitkamp's *Railroad Emergency Services Preparedness, Operational Needs, and Safety Evaluation (RESPONSE) Act, S. 2547*, which would establish a Federal Emergency Management Agency (FEMA) panel focused on railroad incident first responders. By bringing together under FEMA's National Advisory Council all relevant agencies, emergency responders, technical experts, and the private sector for a review of training, resources, best practices, and unmet needs related to emergency responders to railroad hazmat incidents, the RESPONSE Act will begin the process of addressing shortcomings in existing emergency response practices and procedures. It will also address the effectiveness of funding levels related to training local emergency responders for rail hazardous materials incidents.

The County also supports FEMA funding for the training of first responders, regulations that increase tank car safety standards for cars transporting crude oil and other hazardous materials, and regulations that require railroads to share data with state emergency managers and local responders.

Retiree and Retiree Health Care Costs – The County operates many programs on behalf of the federal government. While federal funding is available for on-going program operations, including employee salaries, the allocation is usually capped, regardless of actual costs. For retiree and retiree health care, the County's ability to contain costs is extremely limited. The County will advocate for full federal financial participation in funding the County's retiree and retiree health obligations.

State Criminal Alien Assistance Program (SCAAP) – On May 23, 2012, the Department of Justice (DOJ) announced a change in the State Criminal Alien Assistance Program (SCAAP) that will prohibit SCAAP funds from being used to reimburse localities for foreign-born criminal aliens housed in jails that have been classified as "unknown inmates" by the Department of Homeland Security's Immigration and Customs Enforcement (ICE) agency. This is a significant change to the SCAAP reimbursement formula and will heavily impact counties across the nation.

The County will support the rescinding of this decision and a reinstatement of the previous reimbursement practice, which would more equitably reimburse jurisdictions for the costs of housing undocumented individuals, including those inmates whose status may be unknown to the Department of Homeland Security.

Second Chance Act – The County will support funding for the Second Chance Act, which helps counties address the growing population of individuals returning from prisons and jails. Despite massive increases in corrections spending in states and jails nationwide, recidivism rates remain high: half of all individuals released from state prison are re-incarcerated within three years. Here in California, unfortunately, the recidivism rate is even higher. Yet there is reason for

hope: research shows that when individuals returning from prison or jail have access to key treatments, education, and housing services, recidivism rates go down and the families and communities they return to are stronger and safer.

The Second Chance Act ensures that the tax dollars on corrections are better spent, and provides a much-needed response to the "revolving door" of people entering and leaving prison and jail.

SparkPoint, Service Integration – The County will support federal funding for the establishment and operation of SparkPoint and Service Integration models. SparkPoint Centers are one-stop, financial-education centers that help individuals and families who are struggling to make ends meet. SparkPoint helps clients address immediate financial crises, get them back on their feet, and build financial security. Each center brings together a full range of services at one convenient location, including job training, career development and financial coaching, as well as access to higher education and savings accounts. The Contra Costa County Service Integration Program co-locates county and non-profit agency service providers and community residents in neighborhood-based family service centers to provide accessible, coordinated public services tailored to meet the specific needs and goals of low-income families, while also engaging families in resident-driven efforts to revitalize their communities.

Supplemental Nutrition Assistance Program (SNAP) – The County will advocate for the following federal actions:

- Increase SNAP benefits as a major and immediately available element of economic stimulus.
- Suspend the restrictions applying to ABAWDs. ("ABAWDs" stands for "Able-Bodied Adults without Dependents" and pertains to adults receiving food stamps who are considered employable.) They are subject to strict time limits on how long they can receive food stamps. It is difficult administratively to track this, and when unemployment is high, it can result in more adults going hungry.
- Remove the current federal barriers that prevent some nutrition programs from employing EBT technology.

Streamlining Permitting for Critical Infrastructure, Economic Stimulus, and Alternative Energy Projects –“Green” Job Creation – Request that Congress and the Administration recognize the value of Habitat Conservation Plans (HCPs) as a reliable way of streamlining critical infrastructure, economic stimulus, and alternative energy project permitting in a manner that is consistent with federal environmental regulations. HCPs not only facilitate such projects through permit streamlining, but the planning, implementation, management, and monitoring needs associated with regional HCPs plans also create many quality “green” jobs.

Telecommunications Act of 1996 Revisions – The Telecommunications Act of 1996 governs local government’s role in telecommunications, primarily broadband cable that uses the County’s right-of-way as well as consumer protections. As Congress works to update the Act, the County will continue to advocate for strengthening consumer protections and local government oversight

of critical communications technologies; local access to affordable and reliable high speed broadband infrastructures to support the local economy; the right of local municipalities and communities to offer high-speed broadband access; coordination and integration of private communication resources for governmental emergency communication systems; preservation of local government's franchise fees; preservation of the local community benefits, including but not limited to public, education and governmental (PEG) access channels; authority for provision of municipal telecommunication services; preservation of local police powers essential for health, safety and welfare of the citizenry; preservation of local government ownership and control of the local public rights-of-way; and support for ensuring that communication policy promotes affordable services for all Americans.

The Community Broadband Act of 2007, S.1853, encourages the deployment of high speed networks by preserving the authority of local governments to offer community broadband infrastructure and services. The County will oppose all bills that do not address the County's concerns unless appropriately amended. In addition, the Federal Communications Commission (FCC) has proposed rule-making (FCC Second Report and Order Docket 05-311 "Franchising Rules for Incumbents") that, in the opinion of local government, goes beyond the scope of their authority in this area. The County will oppose all such rule making efforts.

Telecommunications Issues – Support the Community Access Preservation (CAP) Act introduced in 2009 by Wisconsin Congresswoman Tammy Baldwin. The CAP Act addresses the challenges faced by public, educational and government (PEG) TV channels and community access television stations. The CAP Act addresses four immediate issues facing PEG channels. The CAP Act would: Allow PEG fees to be used for any PEG-related purpose; require PEG channels to be carried in the same manner as local broadcast channels; require the FCC to study the effect state video franchise laws have had on PEG; require operators in states that adopted statewide franchising to provide support equal to the greater of the support required under the state law or the support historically provided for PEG; and make cable television-related laws and regulations applicable to all landline video providers.

In addition, the County should support the widespread deployment and adoption of broadband, especially as it serves to connect the educational community and libraries.

Temporary Assistance for Needy Families – The County will advocate for the following federal actions:

- Relieve states of work participation rate and work verification plan penalties for fiscal years 2007, 2008, 2009 and 2010 in recognition of the serious downturn in the national economy and the succession of more "process-based" regulations issued in the last few years.
- Permanently withdraw the August 8, 2008, proposal that would have repealed the regulation that enables states to claim caseload reduction credit for excess MOE expenditures.

- Rescind the May 22, 2008, HHS guidance that effectively eliminated the ability of states to offer pre-assistance programs to new TANF applicants for up to four months.
- Rescind the final Deficit Reduction Act regulation restricting allowable state maintenance-of-effort expenditures under TANF purposes 3 and 4.
- End federal efforts to impose a national TANF error rate.

Veterans Benefits – The County will support legislation to increase availability, accessibility, and utilization of Veterans Benefits.

Within Contra Costa County, Veterans' health care is provided by the VA Martinez Clinic, a division of the VA Northern California Healthcare System. Currently, access to enrollment in the VA healthcare system is limited to Veterans with a Service Connected disability of greater than 10%, special eligibility criteria (Purple Heart, former POW, Iraq & Afghanistan Vets within 5 years of discharge, etc.), and to Veterans with an annual gross income less than a geographically based threshold. Currently, VA emergency services are not available after hours or during weekends. The nearest VA emergency room is nearly 34 miles away from the VA Martinez Clinic.

The County will support legislation that would expand enrollment eligibility (such as removing the income limit criteria) to all Veterans with an honorable discharge. Furthermore, the County will support legislation that would establish 24 hour VA emergency services at the VA Martinez clinic.

In addition, the County will support legislation that will improve the timeliness and quality of both VA benefits claim decisions and VA healthcare services. Specifically, legislation that works toward improving on the expedited processing of claims and administering of benefits to populations with unique needs, such as homeless Veterans, Women Veterans, and Veterans experiencing service related Posttraumatic Stress Disorder.

Veterans Halls – The County will support legislation to provide America's veterans organizations with resources to make necessary repairs to or replacement of their meeting halls and facilities.

Across America, the meeting halls and posts of Veterans Service Organizations such as the American Legion and Veterans of Foreign Wars serve as unofficial community centers. Unfortunately, many of these facilities are not compliant with Americans with Disabilities Act accessibility standards, are not earthquake retrofitted, or have deteriorated in recent years due to declining membership and reduced rental revenues as a result of the economic downturn.

The County will support legislation that would create a competitive grant program for veterans' organizations, classified by the IRS as 501c19 non-profit organizations and comprised primarily of past or present members of the United States Armed Forces and their family members, to use for repairs and improvements to their existing facilities.

Volume Pricing – The National Association of Counties supports greater access for local governments to General Services Administration (GSA) contract schedules. These schedules provide volume pricing for state and local governments and make public sector procurement more cost effective. However, current law does not provide full access to state and local governments for GSA schedules. The County will support legislation that gives local governments access to these schedules and provides the option of purchasing law enforcement, security, and other related items at favorable GSA reduced pricing.

Water Quality, Quantity and Delta Outflow – Congress may consider legislation that could adversely affect water quality, quantity and flows in the Sacramento-San Joaquin Delta to the detriment of the County residents, economy and resources. The Board of Supervisors will rely on its adopted Delta Water Platform and its adopted resolution on Water, Ecosystem Health and other Issues Related to the San Francisco Bay and the Sacramento –San Joaquin River Delta (No. 2012-46) to determine the appropriate response to federal legislative issues brought to the Board’s attention.

Workforce Development – Contra Costa County supports policies that meet the needs of serving businesses, workers, job seekers, and youth. The County further supports policies under the Workforce Innovation & Opportunity Act (WIOA) that preserve local decision-making relative to spending, direction of work, and other functions of local workforce boards. The County also supports policies that increase employment and the creation of jobs in both the public and private sector and that enhance business’ access to a qualified talent pool, and promote business growth through the development of a skilled workforce. The County also favors policies that provide increased funding to support job seeker services, as well as policies that make strategic investments to leverage existing funding in the workforce development arena.