



Draft Policy Priorities for 2020

California State Association of Counties

County policy concerns are most often centered on resources to carry out state and local service responsibilities, the authority to carry out those responsibilities in local communities, and partnership with the state to improve existing programs.

Those concerns pose particular challenges as they relate to policy issues that CSAC is prioritizing in 2020: defending the Mental Health Services Act, wildfires and disaster preparedness, housing and homelessness, In-Home Support Services, the 2020 U.S. Census, juvenile justice reforms, and local governance and land use authority preservation.

California Advancing and Innovating Medi-Cal (CalAIM)

The “California Advancing and Innovating Medi-Cal” proposal, or CalAIM, is a broad and ambitious package put forth by the state to simplify and streamline the Medi-Cal program through federal waivers, state law changes, and regulations. CalAIM has significant implications – both fiscal and policy – for many county health and human services functions, including behavioral health services, social services eligibility, county public hospitals, and cross-sector initiatives for foster youth and those who are homeless or incarcerated. The financial impact for counties is unknown because the CalAIM proposal contains both opportunities for funding and changes that could increase costs. CSAC is working to ensure the Newsom Administration is aware of the county fiscal perspective through input by CSAC, county administrative offices, and a variety of county health and human services departments.

Behavioral Health Issues

County behavioral health services and funding will continue to dominate health and homelessness policy conversations in 2020. CSAC will be proactive in working to gain additional flexibility within the Mental Health Services Act (MHSA, created by Proposition 63 of 2004) and protect county allocations and funding. CSAC will also focus on cross-sector collaboration and efforts to build robust and responsive services with schools, the criminal justice system, and other stakeholders.

Homelessness and Poverty Issues

Homelessness remains a top Association priority in 2020 and county health and human services programs remain a critical focus, including general relief/general assistance, federal welfare programs such as CalWORKs and CalFresh, conservatorships and changes to the Lanterman-Petris-Short Act, data sharing between county departments, child support changes, extended foster care, safe parking and other shelter programs, and behavioral health. CSAC will also advocate for flexibility in the use of existing homelessness funding so counties can address local needs without unnecessary restrictions.

Affordable Housing

The affordability and availability of housing is at crisis levels in almost every part of the state. The housing issue is not only a crisis in its own right, it’s also a main driver of California’s homelessness emergency. CSAC will advocate for funding for affordable housing, including new state funding for construction of homes affordable to households at all income levels. CSAC will continue to focus on implementation of recent housing legislation, including allocation of recently approved bonds, as well as full implementation of new homelessness programs, such as No Place Like Home.

In-Home Supportive Services (IHSS)

CSAC will continue to prioritize the fiscal sustainability of the IHSS program. In 2019, CSAC supported the Governor's IHSS proposal which led to the enactment of a lowered County IHSS Maintenance of Effort (MOE). In 2020, CSAC will work closely with the Administration and counties to continue implementing the new MOE and to engage on the IHSS collective bargaining provisions.

Climate & Resiliency

The Legislature will continue to focus on a variety of topics related to improving our statewide resiliency to disasters and adapting to the impacts of climate change, including measures that help fund resiliency work at the local level. CSAC will continue to advocate for flexible funding at the local level to help prepare, respond, and recover from disasters.

Public Safety Power Shutoffs (PSPS)

The State's investor-owned electric utilities are more frequently utilizing de-energization policies and shutting off electric power, referred to as Public Safety Power Shut-offs (PSPS), to protect against wildfire ignition and to enhance public safety as permitted under California law. These PSPS events have a significant impact on our communities and our local economies, often times leaving large segments of the population without power for days at a time. CSAC will continue to engage the IOUs and stakeholder groups to work towards better coordination during PSPS events and ensure for adequate resources and communication to sensitive populations.

Utility Liability

The discussion of utility liability continues to re-emerge as PG&E faces additional liability year after year for igniting wildfires in California. The utility has openly lobbied in bankruptcy court for changes to inverse condemnation law, and despite constitutional protections of our legal standing, this will continue to be an issue as the IOU emerges from bankruptcy. CSAC will stand firm with our coalition partners to continue to protect the rights of victims and local governments, while holding utilities accountable for their actions.

Criminal Justice Fine and Fees

The Legislature will continue its efforts to eliminate fines and fees within the criminal justice system which counties use to support a wide array of criminal justice programs. As numerous and diverse programs and reforms have been enacted by the State, many of which are tied to an associated fee or fine as a funding source, counties rely on the current funding structure now in place. CSAC will continue to work with our county partners to ensure that the counties have the funding necessary to support local programs.

Trial Court Security

Trial court security was realigned to the counties as part of 2011 Criminal Justice Realignment. In some counties the amount of funding that was provided has not kept up with increased personnel and security costs. Trial court security has been a CSAC priority for a number of years. CSAC will remain engaged on this issue with our state sheriffs association and work with the Administration, Legislature, and stakeholders to approve the appropriate ongoing funding levels for new court security costs.

Juvenile Justice

Juvenile justice in California has undergone a variety of reforms in the past decade. These reforms have led to a lower population and an increase in the number of vacant beds in juvenile facilities. CSAC will

work with stakeholders to look at long term solutions for utilization of these vacant beds and work to ensure that there is funding for these alternatives.

2020 Census

A complete count of all California residents will help to ensure federal funding levels for a wide variety of programs, as well as Congressional representation and local redistricting. CSAC continue to work with the state and federal governments to ensure promised census funding and supporting resources are disbursed to counties. CSAC will also disperse information and coordinate efforts to ensure counties have the tools they need to implement their complete count efforts.

Local Governance and Land Use Authority

From county governance and contracting, to housing development, fire safety and the siting of county facilities, the state has increasingly been interested in revisiting the power of communities to make their own decisions. CSAC will advocate for the appropriate balance between statewide concerns and local authority. For county governance decisions, such as the makeup of the Board of Supervisors and other county offices, the full authority should remain at the community level. For other decisions, such as fire safety and housing development, the state's reasonable interests must be appropriately balanced with local circumstances.

Protect County Realignment Funding

Through a series of realignments over the past forty years, the state has shifted program responsibility for a number of health, human service, and public safety programs to counties, along with revenue sources designed to generally pay for the cost of those services. CSAC will work with county affiliates to protect revenues that pay for realigned county programs and spend considerable time educating policy-makers about the fiscal state of counties and the effects of further revenue erosion.

Elections, Redistricting, and Special Elections

In the last two years, the state has provided much needed funding for election equipment, using some of that funding to incentivize counties to move to the vote center model. CSAC will continue to advocate for additional state funding to help counties prepare for the 2020 elections, prevent threats from outside actors, reimburse counties for recent special elections, and ensure all voters have the opportunity to have their vote counted.

Public Records Act

The California Public Records Act is an important tool to ensure that the state and local government decision-making processes are transparent to the people they serve. However, over the decades since its enactment it has become a tangle of rules that invite abuse and inflate the costs of compliance. Counties will work with transparency advocates, local agencies, and others to change the system in a way that retains the law's features without exposing government entities to unnecessary liability, frivolous litigation, or burdensome workloads.



Major Policy Issues for 2020

California State Association of Counties

Each year, CSAC's Board of Directors sets the Association's state and federal advocacy priorities. These priorities, adopted with the input of policy committees, the CSAC Officers, the Executive Committee, and our affiliates, will guide CSAC's advocacy efforts in 2020 both in Sacramento and Washington DC.

Counties are involved and directly impacted by the major statewide issues that will come up in 2020, from how to best tackle the growing homelessness crisis to resiliency and emergency preparedness throughout our state. A key focus will be to continue to looking for opportunities to partner with the Governor and Legislature on these and other complex issues facing California. CSAC advocates on countless bills and budget items each year, but the following 2020 state and federal priorities and major issues are expected to be the most significant issues in 2020.

Principles

Funding. County service responsibilities continue to grow, some imposed by state and federal programs and others to deal with local aspects of statewide problems. While the state's fiscal health is strong, many counties' general funds are still struggling. The state should help fund the public services that are carried out by counties to achieve statewide goals.

Authority. The benefit of local governance is the ability to shape services so that they fit the needs, resources, and other circumstances of California's diverse communities. Counties are uniquely suited to provide services to every Californian in a way that fits their community. The state should give counties more flexibility to take full advantage of their position as local providers of statewide programs, and at the same time allow counties full authority over their own local programs and governance.

Partnership. To an extent seen in few other states, counties in California are the level of government that provides federal and state programs to residents. County expertise with these programs and services is a resource for state policy makers as they consider whether and how to change those programs.

Major Policy Issues by Area

Agriculture, Environment, and Natural Resources

- Utility Liability
- Public Safety Power Shutoff Policy
- Climate and Resiliency
- Water Resources and Regulatory Issues
- Resource Recovery and Waste Management
- Cannabis

Administration of Justice

- Criminal Justice Fines and Fees
- Trial Court Security
- Bail Reform
- Juvenile Justice

Government Finance and Administration

- Promote County Interests in Tax Reform Efforts

- Resist Further Expansion of Workers' Compensation Presumptions
- Secure Funding for Elections, Redistricting, and Recent Special Elections
- Protect County Realignment Funding

Health and Human Services

- California Advancing and Innovating Medi-Cal (CalAIM)
- Behavioral Health Issues
- Homelessness and Poverty Issues
- In-Home Supportive Services
- Child Welfare/Foster Care Implementation and Funding
- 2-1-1 Referral Systems

*CSAC Draft Major Policy Issues for 2020***Housing, Land Use, and Transportation**

- Protect County Land Use Authority While Promoting Housing Affordability
 - Protect Development Impact Fee Authority and Support Process Improvements
 - Protect State Transportation Funding and Streamline Project Delivery
 - Preparing for the Future of Transportation
- Land Use, Housing, and Transportation Linkages
 - County Priorities in Renegotiated Gaming Compacts

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Agriculture, Environment, and Natural Resources

Utility Liability. The discussion of utility liability continues to re-emerge as PG&E faces additional liability year after year for igniting wildfires in California. The Utility has openly lobbied in bankruptcy court for changes to inverse condemnation, and despite constitutional protections of our legal standing, this will continue to be an issue as the IOU emerges from bankruptcy. CSAC will stand firm with our coalition partners to continue to protect the rights of victims and local governments, while holding utilities accountable for their actions.

Public Safety Power Shutoff Policy. The State's investor-owned electric utilities are more frequently utilizing de-energization policies and shutting off electric power, referred to as Public Safety Power Shut-offs (PSPS), to protect against wildfire ignition and to enhance public safety as permitted under California law. These PSPS events have a significant impact on our communities and our local economies, often times leaving large segments of the population without power for days at a time. CSAC has engaged outside counsel to represent all counties in front of the CPUC and the PSPS rule-making to ensure that county interests are adequately represented. CSAC will continue to engage the IOUs and stakeholder groups to work towards better coordination during PSPS events and ensure for adequate resources and communication to vulnerable populations. In addition, CSAC is in the process of documenting cost impacts of PSPS events and will continue to advocate for adequate resources to assist local communities.

Climate and Resiliency. The Legislature will continue to focus on a variety of topics related to improving our statewide resiliency to disasters and adapting to the impacts of climate change, including measures that help fund resiliency work at the local level. It is expected that a bond measure will continue to move through the legislative process next year, building on the work done in 2019. CSAC will continue to engage in these discussions and work to explore additional opportunities for funding of pre-hazard mitigation and resiliency funding. Finally, CSAC will continue to focus on other funding opportunities within the state's cap and trade program for greenhouse gas (GHG) emissions

reduction and adaptation work to help prepare counties to guard against and prepare for our changing climate, including funding for natural and working lands, sea-level rise, organic waste diversion and other important topics.

The issue of homeowners insurance in fire prone areas will continue to be a topic of conversation in the Legislature and at the regulatory agencies. The Department of Insurance recently made announcements about changes to the FAIR Plan, the insurance plan of last resort. CSAC will work with our local government partners, the Department of Insurance and other stakeholders to help create affordable options for homeowners.

Water Resources and Regulatory Issues. CSAC will continue to engage on a variety of important legislative and regulatory topics related to water resources, including the implementation of the state's wetland policy, ongoing implementation of the Sustainable Groundwater Management Act (SGMA) and ongoing discussions about water quality, storm water funding and conservation issues.

Resource Recovery and Waste Management. It is anticipated that the plastics bills, SB 54 (Allen) and AB 1080 (Gonzalez), will continue to move through the legislative process next year. CSAC will continue to advocate in support of these measures to help reduce plastic waste and increase domestic markets for recyclable materials. In addition, funding for waste and recycling infrastructure will continue to be a topic of interest for local governments. CSAC will advocate to include funding for organic waste diversion infrastructure as a necessary component of any bond measure. Finally, as SB 1383 regulations become final, CSAC will work with counties to ensure they have the information and tools necessary to successfully implement this new law.

Cannabis. Local control and the ability to ban commercial cannabis operations have continually come under assault by segments of the cannabis industry and within portions the Legislature. CSAC will continue to support local control for cannabis regulation and work with counties to help ensure for the successful implementation of their cannabis programs. In addition, CSAC will continue to

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pressure the Administration to gain access to data in the state's track and trace system, as required by Proposition 64. Finally, CSAC will continue to

support the efforts of the California Cannabis Authority, the county joint powers authority designed to aid local cannabis regulation.

Health and Human Services

California Advancing and Innovating Medi-Cal (CalAIM). Dubbed “California Advancing and Innovating Medi-Cal,” or CalAIM, this ambitious package consists of state and federal proposals to simplify and streamline the Medi-Cal program. CalAIM has significant implications for many county health and human services functions, including behavioral health services, social services eligibility, county public hospitals, and cross-sector initiatives for foster youth and those who are homeless or incarcerated. Counties must focus on the federal, state, and local finance implications, as well as the impacts on county operations, successful programs, and the people and families we serve.

Behavioral Health Issues. County behavioral health services and funding will continue to dominate health and homelessness policy conversations in 2020. CSAC will work to gain additional flexibility within the Mental Health Services Act (MHSA, or Proposition 63 of 2004) and protect county fiscal stability and successful services through the state's CalAIM Medi-Cal proposal. CSAC will also focus on cross-sector collaboration and efforts to build robust and responsive services with schools, the criminal justice system, and other stakeholders.

Homelessness and Poverty Issues. Homelessness remains a top Association priority in 2020 and county health and human services programs remain a critical focus, including general relief/general assistance, federal welfare programs such as CalWORKs and CalFresh, conservatorships and changes to the Lanterman-Petris-Short Act, data sharing between county departments, child support changes, extended foster care, safe parking and other shelter programs, and behavioral health. Funding, flexibility, and facilitation of homeless solutions will be sought at all levels to help counties combat homelessness.

In-Home Supportive Services. CSAC will continue to prioritize the fiscal sustainability of the IHSS program. In 2019, CSAC supported the Governor's IHSS proposal which led to the enactment of a lowered County IHSS Maintenance of Effort (MOE). In 2020, CSAC will work closely with the Administration and counties to continue implementing the new MOE and to engage on the IHSS collective bargaining provisions, including the required reports to the Legislature. In addition, the state is moving forward with the development of a Master Plan for Aging by October 2020 as required by the Governor's Executive Order. CSAC will remain engaged on the overall Master Plan for Aging and specifically any IHSS-related elements.

Child Welfare/Foster Care Funding and Implementation. CSAC will continue to partner with counties and county affiliates on implementing and securing adequate funding for efforts to improve outcomes for foster youth. AB 12 (Chapter 559, Statutes of 2010) extended foster care to youth up to age 21 and has shown significant positive results. The Continuum of Care Reform (CCR) is working to reduce the use of group homes and increase the availability of trauma-informed services. Counties are fully engaged on expanding these services and achieving the goals of extended foster care and CCR.

2-1-1 Referral Systems. CSAC and the CSAC Finance Corporation actively support both state and federal legislation to help build and fund a statewide 2-1-1 referral system that is responsive to local needs and natural or man-made disasters. CSAC will continue to work with counties, the state, and community based organizations to realize the goal of statewide implementation of 2-1-1 services.

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Government Finance and Administration

Promote County Interests in Tax Reform Efforts.

As more interested parties call for tax reform, CSAC will promote county interests in those discussions. A measure to increase taxes on most commercial and industrial property has already qualified for the November 2020 ballot, other ballot measures are gathering signatures, the Governor has called for reforms to reduce state revenue volatility, and the Legislature has introduced multiple measures that would affect everything from local vote thresholds to the allocation of sales tax revenues. In the coming year, CSAC will protect existing county revenues from being reduced; advocate that any new revenues be directed to counties as appropriate; and ensure that any new duties imposed on counties are adequately funded.

Resist Further Expansion of Workers'

Compensation Presumptions. Recent legislative interest in expanding injuries or conditions for which a connection with employment is presumed, but not proven, threatens the equilibrium of the workers' compensation system. By granting additional, costly benefits to workers for injuries that, in some cases, may not be job-related, these legislative efforts shift the burden of proof onto the employer and impact the financial solvency of the system. To function correctly, the workers' compensation system relies on the contributions of employers and employees to roughly equal the amount paid out for injuries suffered on the job. To protect county employers, CSAC will oppose efforts to create new presumptions and to expand existing presumptions to new employee classes without data-driven evidence that the existing system is unjust; and educate policy-makers about how the workers' compensation system works and how it already

covers employee injuries and conditions that are job-related.

Secure Funding for Elections, Redistricting, and Recent Special Elections. In the last two years, the state has provided funding for election equipment, which was badly needed in many counties and which the state used to incentivize counties moving to the vote center model. However, the state has not participated in the cost of election processes since ending reimbursement for election-related mandated programs and for special elections to legislative vacancies, both about ten years ago. The state still owes counties over \$50 million for providing those mandated programs, but continues to pass new mandates, including a bill last year increasing redistricting requirements. CSAC will request reimbursement for all recent special elections to fill legislative vacancies; advocate that the state pay its share of election costs; and pursue funding for newly enacted mandates.

Protect County Realignment Funding. Through a series of realignments over the past forty years, the state has shifted program responsibility for a number of health, human services, and public safety programs to counties, along with revenue sources designed to generally pay for the cost of those services. However, threats to that funding frequently arise, most recently in the form of sales tax breaks. CSAC was able to secure partial reimbursement for those losses, and continues to pursue the rest of the foregone revenue, but more proposals will no doubt crop up over the course of the legislative session. CSAC will protect revenues that pay for realigned county programs; and educate policy-makers about the fiscal state of counties and the effects of further revenue erosion.

Administration of Justice

Criminal Justice Fines and Fees. For decades, the Legislature has funded a wide array of criminal justice programs using fine and fee revenue. As numerous and diverse programs and reforms have been enacted by the State, many of which are tied to an associated fee or fine as a funding source, counties rely on the current funding structure now in place. Funding is critical to ensuring counties can continue

to carry out a number of these programs. However, as fines and fees continue to increase, a number of offenders fail to meet these obligations. CSAC will continue to work with our county partners to ensure that counties have the funding necessary to support local programs.

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Trial Court Security. Trial court security was realigned to the counties as part of 2011 Criminal Justice Realignment. In some counties the amount of funding that was provided to the counties has not kept up with increased personnel and security costs. Trial court security has been a CSAC priority for a number of years. CSAC staff has worked closely with the California State Sheriffs Association (CSSA) to make Trial court security more functional. CSAC and CSSA have had a number of meetings with the Administration, Judicial Council, budget and legislative staff. CSAC and CSSA will remain engaged on this issue and work with the Administration, Legislature and stakeholders to approve the appropriate ongoing funding levels for new court security costs.

Bail Reform. The California Money Bail Reform Act was signed into law in August 2018. This new law changes the current money bail system to a risk-

based system. It would have become effective October 1, 2019, but there is a referendum pending and it delays implementation until after the 2020 election. CSAC will work closely with the Administration, Judicial Council and the Chief Probation Officers (CPOC) to help ensure that counties have the funding necessary for planning, should the law become effective and a county chooses to contract with Judicial Council to handle the pre-trial assessments and supervision.

Juvenile Justice. Juvenile justice in California has undergone a variety of reforms in the past decade. These reforms have led to a lower population and an increase in the number of vacant beds in juvenile facilities. CSAC will work with stakeholders to look at long term solutions for utilization of these vacant beds and work to ensure that there is funding for these alternatives.

Housing, Land Use, and Transportation

Protect Local Land Use Authority while Promoting Housing Affordability. Housing policy was a major focus in the Legislature in 2019 and is anticipated to continue in 2020. This includes a renewed focus on passing major “zoning reform” legislation.

CSAC offered amendments to address our opposition or concerns with major bills in 2019 that sought to overhaul local land use planning—the two key vehicles in this area, SB 50 (Wiener) and AB 1279 (Bloom) both stalled and became two-year bills. CSAC will continue to advocate for these priority amendments in 2020. At a high level, the proposed amendments seek to make the bills consistent with CSAC’s policy of promoting locally-driven planning to implement broad state goals to provide housing affordable at all income levels.

Finally, CSAC will continue to look for opportunities to provide counties with tools to help expedite housing production. Efforts will include support financing tools and opportunities to streamline environmental review for affordable homes and shelters.

Protect Development Impact Fee Authority and Support Process Improvements. Several measures affecting local government authority to impose fees to offset the infrastructure costs of new residential development were considered by the Legislature in 2019. CSAC requested that major changes be removed or delayed until stakeholders can have a conversation about comprehensive reforms to the Mitigation Fee Act and related statutes and practices, including consideration of the report commissioned by the Department of Housing and Community Development (HCD).

HCD’s residential impact fee report includes recommendations focused on fee transparency, fee structure, fee design, and alternative funding options to improve local financing for infrastructure. CSAC has already identified elements of potential reforms that counties can support. In 2020, we will continue to work with the Legislature to support those reforms and oppose changes that impede local governments’ ability to mitigate the impacts of new development on county infrastructure and services.

Protect State Transportation Funding and Streamline Project Delivery. In 2019, CSAC strongly opposed efforts to link SB 1 transportation funding to

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housing production. In 2020, CSAC will continue to focus on protecting transportation funding allocated to counties, while also streamlining project delivery and providing tools to maximize the value of county transportation investments.

Specifically, CSAC will work with Caltrans to implement CSAC-sponsored SB 137 (Dodd), which will streamline environmental review and expedite county bridge and safety projects through authorizing additional exchanges of federal and state transportation funds. In addition, we will work with the Administration and Caltrans to implement the federal-state environmental reciprocity program that CSAC successfully advocated for in prior federal transportation reauthorization bills. Finally, CSAC will work with the Legislature and Administration to provide ongoing funding for technical assistance and training to allow local government agencies to use best practices in pavement engineering. These techniques can increase the useful life of improvements, as well as reduce both costs and greenhouse gas emissions.

Preparing for the Future of Transportation.

Electric vehicle deployment continues to be a key part of the state's climate change efforts. The implications of autonomous and other transportation related technology are far reaching and can be both beneficial and potentially disruptive to mobility, the economy and overall quality of life. As the fleet transitions away from gas-powered vehicles, there will also be significant impacts to transportation funding.

CSAC will convene a working group to develop a set of principles regarding the role of counties in the oversight and regulation of automated and connected vehicles in 2020. In addition, the automobile industry has expressed an interest in working with CSAC and local governments to facilitate the deployment of electric vehicle charging infrastructure. CSAC will work with advocates to determine if there is a mutually agreeable approach to expediting permitting of this infrastructure. Finally, CSAC will continue to monitor and engage in discussions about a long-term, sustainable replacement revenue stream to the gas tax.

Land Use, Housing and Transportation Linkages.

In 2019, CSAC continued to monitor and defend against efforts to erode local control over land use decisions in a variety of contexts. The Administration has announced plans to convene a working group to align transportation investments with housing and climate change goals, consistent with the Governor's recent Executive Order. Finally, the 2019-20 budget included a directive for a similar workgroup effort to overhaul the Regional Housing Needs Assessment process.

In 2020, it will continue to be important to get out in front of some of these conversations with proactive, positive information about the land use decisions counties are making that help meet our climate goals and are consistent with sustainable communities strategies and other local climate action plans. Moreover, CSAC and counties must have a place at the table with the aforementioned working groups seeking to make major changes to statewide housing, land use, and transportation policy.

County Priorities in Renegotiated Gaming

Compacts. The first new gaming compact negotiated entirely by Governor Newsom's Administration was signed by the Governor and the relevant Tribal Chairperson and successfully passed by the Legislature in 2019. Earlier in 2019, CSAC reached out to the new Administration to reiterate county policy priorities for tribal-state gaming compacts. These priorities, most notably the requirement for an enforceable mitigation agreement for the off-reservation impacts of the gaming facility on the affected local government, were included in the first Newsom Administration compact. While this new agreement may indicate a continuation of the general policy direction of the Brown Administration, there are still a significant number of tribes with expiring compacts from 1999 that will need to be renegotiated over the next year.

The Special Distribution Fund (SDF), which was the sole statewide mechanism for mitigation of local government gaming impacts under the 1999 compacts has not had sufficient funding for SDF grants to local governments since FY 2014-15. While SDF grants have been insufficient to mitigate all local impacts since the program's inception, CSAC will

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continue to look for opportunities to fund the SDF or another mechanism to fund mitigation from pre-

existing impacts, especially for counties where local casino mitigation agreements are not in place.

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CSAC 2020 Federal Advocacy Priorities

On the heels of the longest government shutdown in history and House impeachment of President Trump, 2020 promises to offer much of the same in the way of political theatrics and partisan fireworks. Although Democratic congressional leaders and the White House were able to broker several notable deals in 2019 – including a two-year budget accord and a new North American trade agreement (USMCA) – there may be precious few opportunities for cooperation in 2020, particularly as election-year maneuvering kicks into high gear.

Despite the potential for political gridlock, CSAC will be working closely with the California congressional delegation and key federal departments and agencies to advance and protect the federal policy interests of California's counties.

California County Spending Priorities. With a new budgetary agreement in place that jettisons the strict sequester-level spending caps for fiscal year 2021, Congress will enter the new year without the burden of being forced to cut billions of dollars in defense and non-defense discretionary spending. As the FY21 appropriations cycle begins in earnest, CSAC will be working to protect the myriad of federal spending programs that are of vital interest to California's counties.

Homelessness. CSAC will continue to aggressively pursue increased federal funding for key housing and homeless assistance grant programs. Likewise, the association will continue to promote pending legislative initiatives (i.e., HR 1856/HR 1978/S 923) designed to combat homelessness, including those that would authorize funds for comprehensive services and case management for individuals and families experiencing homelessness.

Federal Healthcare Policy. CSAC will continue to support efforts to maintain and support the *Affordable Care Act* (ACA), including funding the expanded Medicaid program and insurance subsidies for individuals and families with incomes above Medicaid eligibility thresholds.

Additionally, CSAC will continue to support bipartisan efforts to eliminate the ACA excise tax, which is slated to go into effect in 2022. A number of California counties offer health insurance plans and related programs that will be subjected to the tax on high-cost plans.

Changes to Entitlement Programs. CSAC will maintain efforts to protect California county interests as part of the reauthorization of the Temporary Assistance for Needy Families (TANF)

program, including working to restore state and county flexibility to tailor work and family stabilization activities to families' individual needs. CSAC also will support maintaining the focus on work activities under TANF, while recognizing that "work first" does not mean "work only."

Additionally, CSAC will oppose legislation and pending USDA regulations that would have the effect of cutting Supplemental Nutrition Assistance Program (SNAP) funding and/or reducing eligibility levels and benefits.

Child Welfare Financing Reform. CSAC will support increased federal funding for services and income support needed by parents seeking to reunify with children who are in foster care. CSAC also will continue to support increased financial support for programs that assist foster youth in the transition to self-sufficiency, including post-emancipation assistance, such as secondary education, job training, and access to health care.

In addition, CSAC will work to protect and retain the entitlement nature of the Title IV-E Foster Care and Adoption Assistance programs while seeking the elimination of outdated rules that base a child's eligibility for funds on parental income and circumstances. The association also supports federal funding to address the service needs of youth who are victims of commercial sexual exploitation.

Finally, CSAC will continue its work with Congress and the administration to provide maximum flexibility in meeting provisions of the *Family First Prevention Services Act* (FFPSA), including pursuing a broad array of prevention services and administrative actions to better align the FFPSA's congregate care provisions with the state's Continuum of Care

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reforms. Those improvements include, but are not limited to, funding authorized in the pending bipartisan *Family First Transition Act* (HR 4980/S 2777) to assist counties as they implement the FFPSA and continued financial support for child welfare waiver counties.

Transportation and Infrastructure. Efforts to advance a wide-ranging infrastructure package once again fell short during the first session of the 116th Congress. Nevertheless, congressional leaders and Trump administration officials are still signaling their hope that a broad public works measure can advance in 2020. CSAC will continue to urge members of the California congressional delegation to prioritize the significant infrastructure investment needs at the local level while looking for opportunities to enhance and streamline the transportation project delivery process.

On a related matter, the nation's highway and transit authorization law – the *Fixing America's Surface Transportation Act (FAST Act)* – is set to expire in the fall of 2020. CSAC will continue to emphasize the importance of the local transportation system within the context of federal transportation policy and will continue to advocate for new revenues for programs of importance to counties, such as safety and bridge projects.

Federal Disaster Assistance. California will continue to be confronted with the threat of devastating wildfires, which have been occurring with more frequency and becoming more severe. The past few years have been particularly devastating as the state experienced its largest, most destructive, and deadliest wildfires in recorded history. CSAC will continue to advocate for federal assistance and pre-disaster mitigation funding to help counties prepare for and recover from the aftermath of these fires.

Additionally, CSAC will continue to champion legislation (HR 3193) that would provide states and local transportation agencies with up to six years to utilize Federal Highway Administration Emergency Relief (ER) program funding to repair or reconstruct federal-aid routes that have been damaged as a result of a disaster.

Public Lands. CSAC will continue to advocate for a long-term reauthorization of mandatory entitlement funding for the Payments-in-lieu-of-Taxes (PILT) program, as well as the Secure Rural Schools (SRS) program. Absent long-term renewals of these critical funding sources, CSAC will continue to support short-term programmatic extensions.

In addition, CSAC will continue to advocate for responsible reforms to federal land management. Such reform efforts should promote healthy forests, protect endangered species habitat, safeguard downstream water quality, improve California's water supply, and reduce the risk of wildfires.

Finally, CSAC will urge the federal government to provide funding to help California establish healthy and resilient forests that can withstand and adapt to wildfire, drought, and a changing climate.

Justice Funding. CSAC will continue to serve as a lead advocate in efforts to protect and enhance the State Criminal Alien Assistance (SCAAP) program, which is a key source of federal funding for a significant number of California's counties. The association also will continue to advocate for a long-term reauthorization of SCAAP and will continue to seek several reimbursement-criteria changes to the program.

CSAC also will advocate for other key justice programs, including the Byrne Memorial Justice Assistance Grant (JAG) program, the *Victims of Crime Act (VOCA)* and the *Violence Against Women Act (VAWA)*.

Indian Affairs / Fee-to-Trust Reform. CSAC will continue to oppose legislation (HR 375) that would overturn the U.S. Supreme Court's *Carcieri v. Salazar* decision in the absence of provisions that would provide for a comprehensive overhaul of the U.S. Department of the Interior's fee-to-trust process.

Remote Sales Tax. In the wake of the Supreme Court's 2018 ruling in *South Dakota v. Wayfair*, states can now require online retailers to collect and remit sales taxes, regardless of whether they have a "physical presence" in that particular state. Following the *Wayfair* decision, a number of states, including California, are moving to capitalize on this

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lost tax revenue. Such widespread state-level action could serve as the impetus for Congress to consider legislation – similar to the *Marketplace Fairness Act* – that would create a national framework for tax collection. CSAC will support efforts aimed at further strengthening state and local taxing authority and will oppose legislation that seeks to overturn the *Wayfair* decision.

State and Local Tax Deduction. The 2017 *Tax Cuts and Jobs Act* (PL 115-97) allows taxpayers to deduct property taxes and income or sales taxes, but only up to a combined cap of \$10,000. Prior to the Act, federal taxpayers could deduct the entirety of their state and local property taxes, as well as their state income taxes or sales tax. CSAC supports legislation that would fully restore the SALT deduction and opposes any effort to further reduce or eliminate this tax benefit.

Tax Exempt Bonds. The *Tax Cuts and Jobs Act* fully preserved the tax exempt status of municipal bonds and Private Activity Bonds (PABs), though eliminated the exemption for advance refunding bonds, which counties use to refinance outstanding bonds to take advantage of better terms and rates. CSAC will continue to support the municipal bond and PAB tax exemption, as well as legislation that would restore the exemption for advance refunding bonds.

Environmental Regulatory Reform. With the Trump administration taking a series of actions to dismantle Obama-era environmental regulations – such as the Clean Power Plan and the Waters of the United States (WOTUS) rule – CSAC will continue to monitor executive and administrative actions that would impact California's counties.

Executive Action on Immigration-related Policy.

CSAC will continue to closely monitor the potential impact of legislative and regulatory actions that would have the effect of cutting off certain federal funds to California's counties, including new standards announced by the U.S. Department of Justice that would preclude the state's counties from being eligible for SCAAP payments beginning with the fiscal year 2020 application cycle. It should be noted that the Trump administration's executive and administrative actions aimed at withholding federal funds from so-called "sanctuary jurisdictions" remain the subject of a number of lawsuits across the country. Accordingly, CSAC will continue to closely monitor the outcome of these judicial proceedings.

Preemption of Local Authority. CSAC will continue to support legislative efforts (i.e., HR 530 & S 1012) that would overturn the Federal Communications Commission's (FCC) recent Order that limits the ability of local governments to regulate the deployment of 5G wireless infrastructure.

Cannabis. While 33 states and the District of Columbia have legalized the use of cannabis for medicinal or recreational purposes, it is still classified as a Schedule 1 narcotic under the *Controlled Substances Act*. As a result, the use, possession, and sale of cannabis remains a federal crime, which has created significant issues for states that have legalized cannabis use. In an effort to address the conflict between federal and state law, CSAC supports legislation that would allow states to determine their own cannabis policies. CSAC also supports legislation that would ensure greater access to banking for cannabis-related businesses (HR 1595), as well as proper medical research on the effects of cannabis use.