



TO: Monterey County Legislative Committee

FROM: Ashley S. Walker, Senior Policy Advisor

DATE: February 9, 2023

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- a. **Status of the Legislature:** Full committee assignments in the Senate and Assembly have been announced. You can find those assignments: [Senate](#) and Assembly [here](#) and [here](#). There are more and more bills being introduced as we approach bill introduction deadline on February 17. Policy committee hearings will start being calendared in the coming months, and Nossaman will testify on positions the County takes on legislation.
- b. **Introduced Legislation:** Nossaman is reviewing hundreds of bills that have been introduced and monitoring bills for impacts to the County. Many bills that have been introduced are “spot” bills, and will need to be amended with significant content and details before we can consider positions.
- i. **SB 38 (Laird): Battery storage facilities: safety systems.** This bill is currently a spot bill but we understand has been introduced as a response to the fire at Moss Landing. Nossaman set up a meeting with Senator Laird’s staff to discuss the details of the legislation and to be helpful and involved in the shaping of the legislation proactively. Suggested position: Watch and work with the Author’s office.
 - ii. **AB 46 (Ramos) Personal income taxes: exclusion: Military Services Retirement and Surviving Spouse Benefit Payment Act.** This bill would provide a state tax exemption for retired members of the Armed Forces and exempt recipients of the Department of Defense’s (DoD) Survivor Benefits Program. Suggested position: Support.
 - iii. **AB xxx (Addis) legislation on Military Infrastructure Matching Program.** This bill has not yet been introduced at the time of writing this report. We understand the bill would create the Military Infrastructure Matching Program to provide grants to meet matching requirements for Defense Community Infrastructure Pilot Program (DCIP) projects and also support these communities in identifying potential DCIP projects through other grants. The DCIP was created to allocate funding to community infrastructure projects that support an active military installation and increase military value. Suggested position: Watch until introduced.
 - iv. **SB 304 (Laird) Small Purchased Limit Increase Monterey-Salinas Transit District.** MST has requested the County’s support in pursuing legislation authored by Senator Laird. MST is currently required to purchase all supplies, equipment, and materials by contract, let to the lowest responsible bidder, or by best value, through a formal solicitation when the expenditure required exceeds \$100,000. This threshold allows small, routine purchases under the \$100,000 threshold to be carried out expeditiously without the necessity of going through a formal bid process, allowing MST to conserve time and resources. The potential legislation would increase, from \$100,000 to \$150,000, the point at which purchases of supplies, equipment, and materials are subjected to a formal bid process. Suggested position: Support the request for legislation.

- c. Legislative Joint Hearing: California's Preparedness for and Response to Extreme Atmospheric River Incidents:** Legislative staff reached out to Nossaman and invited the County to participate in a Legislative Joint Hearing held by the Committees on Emergency Management and Water, Parks, and Wildlife, and Utilities and Energy regarding "California's Preparedness for and Response to Extreme Atmospheric River Incidents." The hearing was held on February 1, 2023. We coordinated with the County to have Kelsey Scanlon, the County's Emergency Services Planner, participate. Kelsey presented an overview of the impacts and damage locally, and also provided potential solutions and recommendations to better plan for these events in the future.
- d. Salinas Valley Storm & Flood Damage Agriculture Tour:** Nossaman invited the County's state legislative delegation to a briefing and tour on the storm and flood damage to the agriculture industry the impact on farmworkers. Senator Caballero and Assemblymember Rivas will be attending, as well as staff from Senator Laird and Assemblymember Addis' office. This tour is taking place on Saturday, February 4. A verbal update on the tour from Supervisor Alejo will be provided.
- e. First5 Monterey County Advocacy:** Nossaman meets twice annually with Supervisor Lopez and First5 Monterey County to discuss advocacy efforts the County can be helpful with. The first meeting of 2023 took place in January, and there may be some assistance needed related to the budget and early childhood related proposals. Nossaman will be meeting with the First5 Association of California to discuss advocacy goals for 2023.
- f. Dam Safety Coalition Update:** The Dam Safety Coalition met a couple of times over the fall/winter to discuss next steps for securing funding for a competitive grant program for dam safety and infrastructure. Most recently, the coalition drafted a letter to reaffirm the coalition's commitment to securing dam safety and resilience funding and to request that the \$100 million in funding identified in last year's budget agreement for Fiscal Years 2023/24 and 2024/25 be appropriated as intended. The County and WRA signed on to that letter, as it is consistent with our previous communications from the dam safety coalition.
- g. Governor's January FY 23-24 State Budget:** The Governor introduced his January budget proposal on January 10, and the Legislature will be working on their version of the FY 23-24 State Budget to come to a final budget agreement in June. While we are still reviewing the details of the Governor's proposal, some initial highlights I believe are specifically of interest to the County of Monterey include:
- The Governor is anticipating a \$22.5 billion deficit.
 - In order to address the deficit, the budget proposes to defer some funding allocated in previous year's budgets, to future years. One of those proposals includes deferring \$550 million in broadband funding for last-mile infrastructure grants from being allocated in the FY 23-24, to future years.
 - The proposal maintains all allocations for FY 23-24 for Homeless Housing, Assistance and Presentation (HHAP), as well as Encampment Resolution Funding. The proposal also includes an additional \$1 billion for a 5th round of HHAP.
 - The proposal maintains most all of the investments in health and human services, including the \$88.3 million in one-time funding to implement CARE Court and investments in CalAIM.
 - Local public health infrastructure funding is proposed to be maintained at \$200 million in ongoing funding to local health departments.

- In order to address the deficit, the proposal includes reductions to housing programs that were included in the 2022 State Budget Act.
- The Active Transportation Program is proposed to be reduced by \$200 million.
- The proposal includes \$2.7 billion in wildfire and forest resilience funding.
- The proposal maintains \$8.6 billion of previously committed funding for water resiliency and drought response, representing a decline in funding of 2% from last year.
- While the proposal maintains \$1 billion of sustainable agriculture investments, the budget also proposes reductions to other programs like the Sustainable Cannabis Pilot Program.

Additionally, CSAC's "Summary of Governor Newsom's January 2023 Budget Proposal" can be found here: [CSAC Governor s Budget Summary 1 10 2023 Combined.pdf \(mcusercontent.com\)](#).

The details and language of the proposed budget can be found here: [California Budget](#).

We will be evaluating these proposals and impacts to the County, and taking positions as appropriate.

h. 2023 State Budget Requests: Monterey County is requesting our Legislative Delegation put forth the following community projects for consideration for funding from the State Budget. These projects were all presented and discussed at the 2023 Legislative Workshop.

- **Nacimiento and San Antonio Dams:** A set of subprojects for Nacimiento and San Antonio Reservoir and Dam facilities to fulfill Federal and State regulatory requirements and provide flood protection and a sustainable water supply. *Cost estimate \$160 million.*
- **Interlake Tunnel and San Antonio Spillway Modification Project:** A tunnel to connect existing facilities at Nacimiento and San Antonio Reservoirs on the Central Coast of California will increase water storage capacity and achieve environmental and water conservation release efficiencies. *Cost estimate \$180 million.*
- **San Lucas Clean Drinking Water Project:** Clean drinking water pipeline for the severely disadvantaged community of San Lucas. *Cost estimate \$12 million.*
- **Marina Health Clinic:** Construct a 10,000 square foot primary care clinic with expanded general family practice, pediatric, obstetrics/gynecology, dental, and mental health services for Medi-cal and uninsured residents. *Cost estimate \$10 million.*
- **Old Monterey County Jail:** Adaptive reuse project for the Old Monterey County Jail, listed on the National Register of Historic Places in 2004 for its significance in the national farm labor movement. *Cost estimate \$17.25 million.*
- **Bike and Skate Park:** Construct a regional Bike and Skate Park serving Monterey, San Benito, and Santa Cruz Counties located at 855 East Laurel Drive, Salinas. *Cost estimate: TBD.*

i. FY 2022-23 State Budget Earmark: Next Steps: The California Department of Water Resources (DWR) provided Nossaman and MCWRA with a draft funding agreement and work plan for the \$6.1 million that was included in the FY 2022-23 State Budget for Nacimiento Dam. Nossaman coordinated a meeting between the WRA and DWR to review the draft agreement and start the process of negotiating terms. WRA is currently working on a draft agreement to send to DWR for review. The

goal is to have a completed funding agreement signed by both the County and DWR by the end of the 2023 fiscal year.

j. Update on Potential Sponsored Legislation:

- **Veterans Home:** The County's legislative delegation has declined authoring legislation to allow for the planning, construction, and matching funds for the federal program to construct a Veterans home in Monterey County. The delegation has expressed their willingness to help brainstorm next steps in addressing the housing needs of our Veterans.

k. Governor's Actions and Executive Orders: The following actions have been taken by the Governor since the last legislative report. This list is compiled from CalOES, California Health and Human Services, California Department of Public Health, and FEMA. We are happy to provide the details of any item listed below, should the Legislative Committee desire.

- January 31 - Governor Gavin Newsom signed an executive order to support the state's ongoing storm response and recovery efforts, including provisions to ease access to unemployment benefits for impacted residents and help ensure adequate staffing by waiving work hour limitations for retired annuitants in local governments. The order also ends waivers enacted during the storms to facilitate fuel transportation and restoration of electrical power. California has secured a Presidential Major Disaster Declaration for 12 counties to date, and a Presidential Emergency Declaration to assist storm response and recovery efforts. The Governor has proclaimed a state of emergency statewide and issued an earlier executive order to further bolster the state's response and support impacted communities.
- January 19 - President Joseph R. Biden, Jr. made additional disaster assistance available to the State of California by authorizing an increase in the level of Federal funding for emergency protective measures undertaken in the State of California as a result of severe winter storms, flooding, landslides, and mudslides beginning on December 27, 2022. Under the President's order, the Federal share for debris removal and emergency protective measures, including direct Federal assistance, under the Public Assistance program has been increased to 100 percent of the total eligible costs for 60 days from the start of the incident period.
- January 18 - Governor Gavin Newsom announced that the White House has added the counties of Monterey, San Luis Obispo and Santa Barbara to the Presidential Major Disaster Declaration issued to support the state's storm response and recovery efforts.
- January 16 - Governor Gavin Newsom signed an executive order to further bolster the emergency response to severe winter storms and support impacted communities across the state. In the past week, California has secured a Presidential Major Disaster Declaration and a Presidential Emergency Declaration to assist response and recovery efforts to the storms
- January 15 - Governor Gavin Newsom announced that the White House has approved California's request for a Presidential Major Disaster Declaration to support the state's emergency response to ongoing storm impacts including flooding, mudslides and landslides in communities across the state.
- January 14 - Governor Gavin Newsom announced that Californians impacted by winter storms are now eligible to claim a deduction for a disaster loss and will have more time to file their taxes.
- January 11 - The White House announced an Amendment to the Emergency Declaration today authorizing FEMA to extend Direct Federal Assistance to 10 additional counties in California.

- The addition of Alameda, Contra Costa, Fresno, Kings, Lake, Madera, Mono, San Benito, San Francisco, and Tulare, brings the total to 41 of the state's 58 counties.
- January 10 - The White House announced an Amendment to the Emergency Declaration today authorizing FEMA to extend Direct Federal Assistance to 14 additional counties in California. This provides help with emergency protective measures, authorized under Title V of the Stafford Act, to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe as the state and tribal nations endure waves of bad weather. The amendment now makes federal help available for Colusa, Glenn, Humboldt, Marin, Orange, San Diego, San Joaquin, San Luis Obispo, Santa Barbara, Solano, Sutter, Tehama, Yolo, and Yuba counties.
 - January 9 – President Biden declared that an emergency exists in the State of California and ordered Federal assistance to supplement State, tribal, and local response efforts due to the emergency conditions resulting from successive and severe winter storms, flooding, and mudslides beginning on January 8, 2023, and continuing. The President's action authorizes the Department of Homeland Security, Federal Emergency Management Agency (FEMA), to coordinate all disaster relief efforts which have the purpose of alleviating the hardship and suffering caused by the emergency on the local population, and to provide appropriate assistance for required emergency measures, authorized under Title V of the Stafford Act, to save lives and to protect property and public health and safety, and to lessen or avert the threat of a catastrophe in the counties of El Dorado, Los Angeles, Mariposa, Mendocino, Merced, Monterey, Napa, Placer, Riverside, Sacramento, San Bernardino, San Mateo, Santa Clara, Santa Cruz, Sonoma, Stanislaus, and Ventura.
 - January 4 - Governor Newsom Proclaims State of Emergency and Mobilizes State Government Ahead of Winter Storms.

I. State Bill/Issues Track: See attached.