



**TO:** Board of Supervisors, County of Monterey      **DATE:** January 29, 2019

**FROM:** Jennifer Capitolo, Senior Policy Advisor, Nossaman LLP  
Ashley Walker, Policy Advisor, Nossaman LLP

**RE:** Legislative Program: 2018 Annual Report

---

## **I. Introduction**

Nossaman LLP has been honored to represent the County of Monterey at the State Capitol to achieve the goals outlined in the 2018 Legislative Program. We have implemented comprehensive reporting and communication protocols to ensure members of the Board of Supervisors and county staff members are kept up to date on the County's priority issues. We look forward to continuing to refine these processes as we enter the 2019-2020 Legislative Session and we welcome your feedback.

## **II. Summary of Legislative Accomplishments in 2018**

Nossaman has collaborated with the County to achieve the following legislative accomplishments:

- **Actively Engaged on Legislation:**
  - Supported 39 bills.
  - Opposed 1 bill.
  - Watched 14 bills.
  - Of the bills supported by the County, 15 bills were signed.
  - The bill that the County opposed was signed.
- **Managed two County of Monterey sponsored bills:**
  - **SCR 57 (Cannella): Memorial highways.** This bill designates specified portions of State Highway 183, State Highway 101, and State Highway 21, in the County of Monterey as memorials to four veterans from the County. This bill was chaptered by the Secretary of State. Res. Chapter 21, Statutes of 2018.
  - **SB 1459 (Cannella): Cannabis: provisional license.** At the end of the legislative session, the County of Monterey, and a few other counties recognized the need to introduce legislation to allow applicants, local jurisdictions, and the state additional time to comply with the CEQA requirements related to issuing cannabis licenses. Nossaman worked with CSAC, RCRC and the various statewide cannabis organizations to develop language to establish a provisional cannabis license for one year. Unfortunately, with deadlines looming, the County was asked to sacrifice our

sponsored bill related to cannabis and crop reports. Once the bill was amended, Nossaman and other coalition sponsors worked to have the bill heard in Assembly Business and Professions, the Assembly Floor, Senate Business, Professions and Economic Development, and the Senate Floor. The last two actions took place on the last day of session, Friday, August 31. The bill was signed by the Governor on September 27, 2018 and chaptered by the Secretary of State. Chapter 857, Statutes of 2018. As for the cannabis and crop report bill, Nossaman has reached out to Assemblyman Stone and Assemblyman Rivas to author this proposal in 2019.

- Engaged on State Budget Issues:
  - **911 Sustainment:** Advocated for a Budget Change Proposal for the California Office of Emergency Services to provide necessary funding to sustain 9-1-1 and provide funding to build out Next Gen 9-1-1. *Failed passage.*
  - **Adult Protective Services:** Supported a one-time \$15 million General Fund request for investment in Home Safe would allow roughly 15 participating counties or groups of counties to demonstrate over three years how providing short-term housing crisis intervention can help reduce the risk of homelessness and future incidents of elder abuse and neglect among California's older adults. *Included in the enacted budget.*
  - **Cannabis Enforcement Grants:** Supported \$25 million request for cannabis enforcement grants. *Included in the enacted budget.*
  - **Census Funding:** Submitted a letter supporting census funding, and requesting Monterey County be considered for funding given the unique population characteristics. *Census funding included in the enacted budget.*
  - **Court Construction Funding:** Supported state court construction funding for the top ten unfunded projects, and advocated for the funding of Greenfield Courthouse. *Top ten court construction projects included in the enacted budget.*
  - **Governor's Proposal to Eliminate 340B Drug Discount Program from Medi-Cal:** Opposed the Governor's proposed 18-19 State Budget contains a proposal to fully eliminate the 340B Drug Discount Program from Medi-Cal fee-for-service (FFS) and managed care. Coalition letter sent in opposition to share that this proposal will have a devastating impact on California's safety net providers— harming low-income, vulnerable communities and populations, by eliminating a vital discount drug program in Medi-Cal. *Rejected by the Legislature.*

- **In-Home Support Services:** Supported a request for \$2.5 million from the State General Fund to address the backlog of pending automation changes in the In-Home Supportive Services (IHSS) automation system known as CMIPS. By leveraging a 50% federal match, this budget request would bring in an additional \$2.5 million in federal funds to ensure county social workers can adequately serve IHSS consumers and providers. *Failed passage.*
- **Voting System Replacement Funding:** Supported a request for \$134.3 million General Fund funding for Statewide Voting Systems Replacement. This funding will be used for the necessary replacement of hardware, software, and initialing licensing for voting systems and technology in all 58 counties. *Included in the enacted budget.*
- Engaged on Proposals related to Lead Exposure: AB 2934 (Stone), AB 2851 (Grayson), AB 2073 (Chiu), and AB 2803 (Limon):  
In 2000, several cities and counties, including the County of Monterey, filed a law suit against manufacturers of lead-based paint, arguing that their promotion of lead-based paint despite its known health effects had contributed to a “public nuisance” that presented a danger to the health of Californians. In 2014, the court ruled in favor of the cities and counties. The court ordered the creation of a program funded by the paint manufacturers to discover and cleanup lead-based paint in homes in the localities party to the law suit. In 2017, an appellate court largely upheld the ruling in favor of the cities and counties. Under the appellate court ruling, funding from paint manufacturers for local lead abatement programs likely will total several hundred million dollars. In 2018, four bills were introduced to address various issues regarding lead-based paint, including liability, abatement, and the legal classification of lead-based paint. None of these proposals were successful.
- Supported Funding for Safe and Affordable Drinking Water - SB 623 and a Budget Trailer Bill:  
In 2018, SB 623 and a Budget Trailer Bill (BTB) attempted to create a new special fund for Safe and Affordable Drinking Water. This program would have assisted communities in paying for the short-term and long-term costs of obtaining access to safe and affordable drinking water. The BTB was consistent with SB 623 and would establish a program that provides grants, loans, and administrator contracts or services to assist eligible communities and households in securing access to safe and affordable drinking water. Although these proposals were unsuccessful in 2018, the concept was included in the Governor’s January Budget and two placeholders have been introduced in the legislature for consideration in 2019.
- Monitored Proposals Regarding Land Use - AB 2890 (Ting), SB 831 (Wieckowski), SB 1469 (Skinner):

In 2018, three bills were introduced reopen the state's accessory dwelling units laws, two years after they were substantially revised in 2016. The County of Monterey is in the process of adopting cleanup ordinances to address changes that became effective in 2017. Throughout our advocacy, the County stressed the need to increase local opportunities for building affordable accessory residential units and, at the same time, retain protections of critical resources. The primary concern was that the legislation reflected urban conditions, which creates challenges for rural counties like Monterey where larger lots present resource constraints including water/wastewater (quality and quantity), biological resources (sensitive habitat and species), cultural resources (cultural, burials), rural roads. These bills will be reintroduced in 2019 and Nossaman will continue to represent Monterey County's interests.

- Supported a Local Rail Transportation Solution – SB 477 (Cannella):  
Although not successful, Nossaman advocated in support of SB 477, which would have allowed expanded existing passenger rail service to Monterey County by allowing JPAs to serve outside of their designated geographic service areas. This remains a high priority for the County of Monterey and Nossaman will continue to coordinate efforts with the Transportation Agency for Monterey County (TAMC).
- Supported Funding for Mental Health Services and Workers - AB 2018 (Maienschein), AB 1893 (Maienschein), ACR 180 (Waldron):  
The County of Monterey supported a number of important measures regarding mental health. AB 2018 would have expanded a student loan repayment program for county mental health workers. Unfortunately, this measure was not successful, given the costs to implement the program. AB 1893, which was signed by the Governor, requires the Department of Public Health to investigate and apply for federal funding opportunities to support maternal mental health. Lastly, ACR 180 was chaptered and designates May as Maternal Mental Health Awareness Month. Many of these priorities, supported by the County in 2018, are elevated in the Governor's 2019 budget and Nossaman will work with the County to support these new funding allocations for mental health services.
- Monitored Proposals Related to Cannabis - AB 2810 (Levine), AB 3157 (Lackey), SB 930 (Hertzberg):  
In 2018, the County of Monterey supported and watched a number of proposals related to cannabis. AB 2810 would have created a Sun-Grown Cannabis Commission to conduct research on the cannabis industry. AB 3157 would have reduced the excise tax rate on cannabis and cannabis products from 15% to 11%, and suspends the imposition of the cultivation tax for a period of three years. SB 930 would have created cannabis limited charter banks (CLCBs) and cannabis limited charter credit unions (CLCCUs) to provide limited banking services to the cannabis industry. None of these bills passed through the legislature and SB 930 has already been reintroduced this year as SB 51 (Hertzberg), which is currently

on the County's "watch" list as the Treasurer-Tax Collector has concerns with the bill.

- Supported Funding for Disaster Relief: AB 2966 (Aguiar-Curry):  
Nossaman advocated in support of this bill to provide that the state share for the removal of dead and dying trees in connection with the Governor's proclamation of a state emergency be no more than 90% of total state eligible costs. Unfortunately, this bill was not successful.
- Supported Preschool for All - AB 1754 (McCarty):  
On behalf of the County of Monterey, Nossaman advocated in support of AB 1754 to ensure that all low income 4-year-olds have access to early care and education pre-kindergarten programs. While this bill was not successful, this proposal is included in the Governor's 2019-20 budget and there are other legislative proposals on this topic as well.
- Supported Increased Funding for County Operations and Monitored a Change in Auditor-Controller and Legal Counsel - AB 1886 (Carrillo) and AB 3068 (Daly):  
AB 1886 would have required the state to pay for all expenses for special elections to fill legislative vacancies. This bill was not successful, given the cost of implementation. AB 3068 was signed and requires county board of supervisors to obtain independent legal counsel to assist a county auditor-controller, if a county counsel has a conflict of interest.
- Other Proposals Authored by the County's legislative delegation:
  - AB 2308 (Stone) – Monterey County supported this bill which would have banned the sale of cigarettes with single use plastic filters. Single-use plastic cigarette butts are littering California's beaches. Unfortunately, this bill was not successful.
  - AB 2421 (Stone) – Monterey County supported this bill to establish the Monarch Butterfly and Pollinator Rescue Program, to be administered by the Wildlife Conservation Board, for the purpose of recovering and sustaining populations of monarch butterflies and other pollinators. This bill was successful and funding was appropriated in the State Budget to support these efforts. Given the recent news reports on the declining monarch butterfly population, the passage of this proposal and related funding was timely and much needed.
  - SB 1079 (Monning) – The County of Monterey supported SB 1079, which was signed by the Governor, to authorize CAL FIRE to make advance payments to grantees from specified grants it administers. This change in law will create an upfront funding stream for Fire Safe Councils, which are very small non-profit organizations.
- Other Advocacy Efforts:

- Engagement with CSAC: Nossaman attended weekly legislative meetings with CSAC and advocates for counties across the State. In these meetings, we discussed the most important issues facing counties and coordinate strategy for supporting, opposing or amending legislation or budget proposals. Nossaman coordinated with CSAC on larger advocacy efforts, such as cannabis legislation.
- Engagement with County Board of Supervisors and Staff: Nossaman met with each Member of the Board of Supervisors to ensure our legislative program reflects the Board's vision. Nossaman met regularly with staff and Supervisors on the Legislative Committee to provide updates on state legislation and our advocacy efforts.
- Engagement with Legislative Delegation and Staff: Nossaman met with the County's legislative delegation and/or staff on an almost weekly basis to discuss legislative proposals and positions, budget issues, and priority projects within the County.
- Analysis of Ballot Propositions: Nossaman provided the Legislative Committee and County staff with analysis of key ballot measures that impact the County that were on both the June and November ballots. The County supported Propositions' 68 and 69 on the June ballot, as well as Propositions' 1, 2, 3, and 10 on the November ballot. The County opposed Propositions' 6 and 10 on the November ballot.
- Nossaman attended the following Informational Hearings on behalf of the County:
  - Ready or Not: Emergency Communications Networks in the Face of Wildfires, Mudslides, and Public Safety Threats
  - Cannabis regulation: An update on statewide implementation
  - 2017 Wildfires and Moving Forward
  - Impacts of SB 1
  - Cybersecurity and California Elections
  - Homelessness, California's Climate Adaptation, Mission-Based Budgeting
  - Implementation of the 2017 Housing Package

### **III. Special Projects in 2018**

Nossaman engaged in advocacy efforts on several special projects for the County, including:

- Greenfield Courthouse:  
In 2018, Nossaman worked with the Board of Supervisors to engage with the Judicial Council of California and Assembly and Senate Budget staff to discuss the current status of the Greenfield Courthouse project, as well as the proposal to fund all court construction projects through the State's General Fund. The Budget included \$1.3 billion in funding for the top 10 court projects, and directed the Judicial Council to reevaluate their project criteria and use that updated criteria to

re-rank all remaining court projects (there are about 130 court projects in total). The Court Facilities Committee is tasked with reevaluating the criteria used to rank projects, and the project list. The Court Facilities Committee will be required to report the new criteria and project list to the Legislature by December 2019. We understand funding for court projects will be on hold until the new list is provided to the Legislature. Nossaman will ensure the County is engaged in the Court Facilities Committee meetings on criteria. In 2019, it will be important for the County to engage in these discussions in order to make sure the Greenfield Courthouse will rank high under new criteria.

- One California: Immigrant Services Funding:  
Nossaman drafted a letter from Senator Monning to the Department of Social Services inquiring for more details about funding that has been awarded to organizations serving Monterey County. Nossaman met with Senator Monning's office to discuss One California funding. Senator Monning's office sent an inquiry to the Department of Social Services requesting information about how funding is allocated across the State and Monterey County. The Department of Social Services confirmed there is a significant gap in funding from the One California program for the Central Coast. The Department is working with Senator Monning to host local workshops for local non-profits who are interested in providing immigration counseling services regarding the requirements necessary to apply for One California funding.
- Interlake Tunnel Project Budget Request:  
Nossaman facilitated a strategic advocacy effort to submit a \$17 million State Budget request to assist with funding the additional costs now associated with the Interlake Tunnel Project's fish screens. Nossaman set up several meetings with the County's delegation, the Department of Finance, and Administration to discuss the need for funding. Nossaman prepared a one page summary of the budget request to use during our meetings. Ultimately, State budget funding was not allocated to the project; however the County's delegation is committed to assisting with the project in other ways, such as coordination and communication with the California Department of Fish and Wildlife.
- San Antonio Reservoir Spillway Repair:  
Nossaman provided strategic advice regarding the potential for creating a new funding opportunity for funding spillway repairs through the State budget or legislative process. Nossaman advised that the County could approach the local state legislative delegation and request funding for this specific project or the County could work with a coalition of similarly situated dam owners/operators across the State to request a larger funding allocation for multiple projects. The funding program could include grants and possibly low interest loans for dam rehabilitation. Nossaman could determine other dam owners/operators who need financial assistance and work through the State Budget process to secure the

funding and possibly work through the legislative process to create a funding program.

- California Complete County Census:  
In August, Nossaman worked with County staff to draft a letter to the two key contacts in the State regarding the census. The letter asked that the County of Monterey be included in the development of the plan for distributing the funding allocated through the State Budget. Nossaman met with several legislative and administrative contacts to ensure the County of Monterey was included in this process. CSAC is hosted a workshop in Sacramento regarding Counties' Role in the 2020 Census. County staff attended the workshop and Nossaman arranged a meeting with the Senate and Assembly leadership staff contacts on the Census. Legislative staff was extremely helpful in providing the County with several contacts and resources that will assist in preparing the County's strategy to get a complete count.

#### **IV. Looking Ahead to 2019**

As we prepared for the new two-year legislative session, we anticipate opportunity for the County to be very engaged on budget and legislative issues that directly impact the County's community, administration of services, infrastructure, business operations, and financial security. Nossaman has outlined what we believe 2019 has in store.

- New Session:  
California lawmakers were sworn into office on December 3, 2018. Since that time, over 230 proposals, many of which are spot bills, have been introduced. Also, Gavin Newsom was sworn in Monday, January 7, 2019, as the 40<sup>th</sup> Governor of the State of California. Governor Newsom's inaugural remarks included comments on the economy, healthcare, housing, justice, California vs. Trump, early childhood education and his governing style.
- State Budget:  
On January 10, 2019, Governor Newsom unveiled his first proposed state budget. The Governor proposed a \$144 billion general fund budget, which reflects a four percent increase in spending from last year's budget. The proposed state budget also projects a \$21.4 billion budget surplus from increased tax revenues and slower growth of health care costs. The bulk of the budget is focused on programs related to health care and education, with approximately 73 percent of the budget spending focused on those programs.

Highlights of proposed spending in the state budget include:

- \$13.6 billion toward state's reserves, paying down debt, and reducing liability for retiree pensions and health coverage
- \$1.4 billion – higher education programs
- \$750 million – kindergarten programs



- \$500 million – early childhood education
- \$500 million – low income tax credit
- \$400 million – community colleges
- \$1.75 billion – housing and homeless programs

Soon, the Legislature will begin the process of convening budget subcommittees to work through the proposed budget details. In early May, the Governor will release a “May Revise” of the proposed state budget to reflect more timely revenue projections and to address any emerging areas of need. The Legislature will work to resolve differences in the budget between the Assembly and Senate, and will approve a new state budget by the June 15 constitutional deadline for budget approval.

- 2019 Legislative Committee Assignments:  
 The following chart outlines the County’s legislative delegation and associated committee assignments.

<b>LEGISLATOR</b>	<b>COMMITTEE/LEADERSHIP ASSIGNMENT</b>
Senator Bill Monning	<ul style="list-style-type: none"> <li>● Budget</li> <li>● Health</li> <li>● Judiciary</li> <li>● Legislative Ethics</li> <li>● Natural Resources and Water</li> <li>● Budget Subcommittee #3 on Health and Human Services</li> </ul>
Senator Anna Caballero	<ul style="list-style-type: none"> <li>● Agriculture</li> <li>● Banking and Financial Institutions</li> <li>● Housing</li> <li>● Judiciary</li> <li>● Legislative Ethics</li> </ul>
Assemblymember Mark Stone	<ul style="list-style-type: none"> <li>● Chair, Assembly Judiciary Committee</li> <li>● Human Services</li> <li>● Natural Resources</li> <li>● Banking &amp; Finance</li> <li>● Budget - Subcommittee #5 on Public Safety</li> </ul>
Assemblymember Robert Rivas	<ul style="list-style-type: none"> <li>● Agriculture</li> <li>● Appropriations</li> <li>● Government Organization</li> <li>● Local Government</li> <li>● Rules</li> </ul>