



**TO:** Monterey County Legislative Committee **DATE:** April 9, 2018  
**FROM:** Jennifer Capitolo, Senior Policy Advisor, Nossaman LLP  
Ashley Walker, Policy Advisor, Nossaman LLP  
**RE:** Legislative Program: State Advocacy Updates

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**STATUS OF LEGISLATIVE SESSION:**

Policy and budget committees are meeting this month to review many of the bills that were introduced in 2018. The policy committees will continue to meet until the end of the month, on house of origin fiscal bills and until mid-May on non-fiscal bills. Nossaman is currently tracking 145 bills on behalf the County. Many of the spot bills we are tracking have been amended with substantive bill language. Nossaman is reviewing these new bills, as well as all amended bills, to determine their impact to the County, and will send to staff for further review and comments.

On April 3, a special election was held for AD 39, AD 45, and AD 54. In AD 54, Sydney Kamlager, a Los Angeles Community College Trustee, was successfully elected with enough votes (50% plus one) to avoid a runoff election. In other two seats, AD 39 and AD 45, a runoff election will take place on June 5. The early returns indicate a bipartisan runoff in those districts: Democrat Luz Rivas and Republican Ricardo Benitez in AD 39, and Democrat Jesse Gabriel and Republican Justin Clark in AB 45.

**LEGISLATIVE UPDATE:**

**a. Cannabis Cultivation Legislative Proposal:** Senator Cannella plans to introduce the legislative proposal to allow Counties to include cannabis cultivation in their annual crop report. As of the writing of this report, we have not received the legislative proposal language but it should be available online by the time we meet for the Legislative Committee. The bill will likely be heard on April 17 in the Senate Committee on Agriculture. Nossaman is meeting with interested parties to seek their support for the legislative proposal. Nossaman has also reached out to several key organizations to vet potential issues, and there have been no concerns expressed regarding the proposal. Many groups have stated that they plan to support the bill when introduced. Nossaman has met with the follow groups and we have additional meetings planned:

- California Department of Food and Agriculture
- Rural County Representatives of California
- California Association of Counties
- Western Growers
- Ag Council
- County of Mendocino, Ag Department
- Farm Bureau of Mendocino County
- Offices of Senator Monning and Cannella, Assemblymember Stone and Caballero
- California Growers Association
- Various Cannabis Lobbyists

- b. AB 3157 (Lackey) Taxation: cannabis.** The Control, Regulate and Tax Adult Use of Marijuana Act (AUMA), an initiative measure approved as Proposition 64 at the November 8, 2016, statewide general election, imposes an excise tax commencing January 1, 2018, on the purchase of cannabis and cannabis products, as defined, at the rate of 15% of the average market price of any retail sale by a cannabis retailer. Commencing January 1, 2018, AUMA also imposes a cultivation tax upon all cultivators on all harvested cannabis that enters the commercial market, at specified rates per dry-weight ounce of cannabis flowers and leaves. Existing law requires the revenues from those taxes to be deposited into the California Cannabis Tax Fund and to be continuously appropriated for specified purposes pursuant to a specified schedule. AUMA authorizes the Legislature to amend its provisions with a  $\frac{2}{3}$  vote of both houses to further its purposes and intent. This bill would reduce that excise tax rate to 11% on and after the effective date of this bill until June 1, 2021, at which time the excise tax rate would revert back to 15%. This bill would suspend the imposition of the cultivation tax on and after the effective date of this bill until June 1, 2021. Should the County support this legislative proposal?
- c. AB 2006 (Eggman) Agricultural Worker Clean Transportation Investment Act.** This bill would establish the Agricultural Worker Clean Transportation Investment Program, which would be administered by the State Air Resources Board to fund the deployment of near-zero-emission and zero-emission vehicles for agricultural vanpools serving disadvantaged or low-income communities to reduce greenhouse gas emissions. The bill would authorize moneys from the Greenhouse Gas Reduction Fund for the program. Should the County support this legislative proposal?
- d. AB 1893 (Maienschein) Maternal mental health: federal funding.** This bill requires the California Department of Public Health to investigate and apply for federal funding opportunities regarding maternal mental health and prepare a report to the Legislature on or before January 1, 2020, on how the department plans to use the federal funding. Should the County support this legislative proposal?
- e. AB 2018 (Maienschein) Mental health workforce planning: loan forgiveness, loan repayment, and scholarship programs.** This bill adds psychiatric trainees who have committed to working in county mental health plans or county mental health plan contracted services to the list of healthcare providers eligible to participate in the Steven M. Thompson Physician Corps Loan Repayment Program. Should the County support this legislative proposal?
- f. ACR 180 (Waldron) Maternal Mental Health Awareness Month.** This measure would dedicate the month of May 2018 as Maternal Mental Health Awareness Month. Should the County support this resolution?
- g. AB 3068 (Daly) County government: officers: auditor.** This measure would require the county auditor or auditor-controller to also be the chief auditor of the county. This bill would grant the county auditor or auditor-controller, as part of its supervisory powers, the authority to audit, rather than review, departmental and countywide internal controls. CSAC, RCRC and UCC are in opposition and have sent a coalition letter to the Author. County staff requested the presentation of this bill to the Legislative Committee and the County may want to consider a position on this bill.

- h. **AB 1886 (Carrillo) Payment of expenses.** This bill requires the state to pay for all expenses incurred on or after January 1, 2017, for special elections called by the governor to fill legislative or congressional vacancies. If the election is consolidated with any other election, the state is only required to pay the expenses directly related to filling the vacancy. Should the County support this legislative proposal?
- i. **AB 2430 (Arambula) Medi-Cal: payment for aged and disabled persons.** This bill changes the income eligibility in the Aged and Disabled Federal Poverty Level Program (A&D Program) from 100% of the federal poverty level (FPL), plus the individual or couple standard disregard, to 138% of the FPL. Should the County support this legislative proposal?
- j. **AB 2772 (Medina) Ethnic Studies.** This bill requires all students to complete a year-long social studies course in ethnic studies to graduate from high school, commencing in the 2023-24 school year. Should the County support this legislative proposal?

#### **BUDGET UPDATE:**

- k. **Opportunities to Invest in Affordable Housing and Combat Homelessness:** CSAC has submitted a letter to the legislature regarding funding for affordable housing and homelessness. CSAC has asked Counties to support this request. We have drafted a letter for your review which includes statistics on homelessness in Monterey County. Should the County submit this letter in support of additional funding for affordable housing and homelessness?
- l. **Greenfield Courthouse:** On March 22, Nossaman and the County participated in a meeting with the Courts and the City of Greenfield to discuss the status of the Greenfield Courthouse project and next steps regarding the Governor's budget proposal to fund the next 10 projects on the Judicial Council of California's (JCC) court construction priority list. Nossaman provided an overview of the Legislative Analyst's Office (LAO) recent report that suggests that the Legislature set the priorities for the list of court construction projects, and that the JCC update the list with the current status and cost of the projects, given that some of the data may be out-of-date. The Courts expressed their strong support for the Governor's Budget proposal. The City and County would like to continue exploring options for State Budget funding for the Greenfield Courthouse. Nossaman has requested a meeting with the JCC to discuss the current project status and the Governor's Budget proposal and we are reaching out to the County's legislative delegation so they are well prepared to push for revisions to the JCC priority list.

#### **RECEIVE MONTEREY COUNTY STATE BILL TRACK**

See attached.

#### **IMPORTANT LEGISLATIVE DEADLINES**

- April 27 – Last day for policy committees to hear and report fiscal bills to committee
- May 11 – Last day for policy committees to hear and report nonfiscal bills to the floor
- May 18 – Last day for policy committees to meet prior to June 4
- May 25 – Last day for fiscal committee to hear and report fiscal bills to the floor
- May 29-June 1 – Floor Session only
- Mid-May – May Revise released