



TO: Monterey County Legislative Committee **DATE:** May 7, 2018

FROM: Jennifer Capitolo, Senior Policy Advisor, Nossaman LLP
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RE: Legislative Program: State Advocacy Updates

STATUS OF LEGISLATIVE SESSION:

Policy and budget committees have been meeting all last month to review all bills that have been introduced in 2018. Policy committees continue to meet until mid-May on non-fiscal bills. The Appropriations Committees have until May 25 to hear bills introduced in their House of Origin. The May revision will be released sometime mid-month, at which time the Legislature will begin taking action on budget items.

LEGISLATIVE UPDATE:

a. Cannabis Legislation:

- SB 1459 (Cannella) Cannabis Cultivation: County Agricultural Commissioners: reporting. This bill allows an agricultural commissioner to include cannabis in his or her report on the county's agricultural products. This bill was heard on April 17 in the Senate Agriculture Committee and passed 4-0-1. The bill was then 28-8 out of the Senate Appropriations Committee on April 3. The bill will be heard on the Senate floor on Thursday, May 3 or Monday, May 7. **Position: Support/County sponsored bill.**
- AB 3157 (Lackey) Taxation: Cannabis. This bill reduces 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. This bill was heard in the Assembly Revenue and Taxation Committee on April 24 and passed 8-0. Nossaman testified in support on behalf of the Monterey County Board of Supervisors. The bill is double referred and will be heard in the Assembly Business and Professions Committee on May 8. **Position: Support.**
- SB 930 (Hertzberg) Financial Institutions: Cannabis. This bill establishes the creation of cannabis limited charter banks (CLCBs) and cannabis limited charter credit unions (CLCCUs) to provide limited banking services to the cannabis industry. These types of banks can accept and maintain cash deposits, as well as issue special purpose checks for limited purposes. CLCBs and CLCCUs can charge fees for their services and obtain private insurance for both themselves and their assets. **Position: Staff recommends support.**
- SB 1409 (Wilk) Industrial Hemp. This bill updates California law by adding hemp to the California Department of Food and Ag's registration program and removes language that conflicts with Proposition 64's expanded definition of hemp, which

includes extracts and derivatives from the non-psychoactive flower and leaves. It also provides the ability for a city or county to “opt-out” of the hemp registration program. **Position: Informational Item.**

b. Emergency Services / Disaster Relief Legislation:

- AB 2966 (Aguiar-Curry) Disaster Relief. This bill would 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. **Position: Staff recommends support.**
- SB 1079 (Monning) Forestry Grants: Advanced Payment. Authorizes the Director of the Department of Forestry and Fire Protection (CAL FIRE) to allow advanced payments from the Forest Health Grant and Fire Prevention Fund Grant Programs to support Fire Safe Councils that help manage natural resources to reduce wildfire impacts. **Position: Staff recommends support.**

c. Housing / Homelessness Legislation:

- AB 3085 (Calderon) Homelessness: New Beginnings California Program. This bill would establish the New Beginnings California Program in the Department of Community Services and Development and create the New Beginnings California Account for the purpose of providing grant funding to cities and local continuum of care programs to implement, expand, or continue employment programs for formerly homeless individuals. The bill would define city for purposes of the bill to include a city, county, or a city and county. **Position: Staff recommends support.**
- AB 3171 (Ting) Homeless Persons Services Block Grant: This bill is no longer moving forward, but the funding will be pursued through the budget process. **Position: Staff recommends supporting the budget item.**
- Budget Proposals Related to Homelessness: Multiple legislators are requesting funding from the State’s budget surplus to support cities and counties in addressing the alarming rise of homelessness. Legislative proposals, for example those listed above, have outlined options for expenditure of the funds and a letter from Assembly Democrats requested \$2 billion to be spent on the crisis. CSAC and the League of CA Cities have issued a policy paper on programs that could be funded to address homelessness and they have signed onto a letter requesting funding for the programs outlined in their policy paper. The County has supported CSAC and the League’s efforts through a letter to the Monterey delegation in supporting funds for homelessness. These proposals will be negotiated up to the June 15 budget deadline. Governor Brown has been pushing for the state to save most of the surplus. We will have a clearer picture of the Governor’s spending priorities after the release of the May Revise.

d. Social Services Legislation:

- AB 2111 (Quirk) CalWORKs: Sponsored Noncitizen: Indigent Exemption. This bill expands California Work Opportunity and Responsibility to Kids (CalWORKs) program eligibility for sponsored non-citizens. **Position: Staff recommends support.**
- SB 1026 (Jackson) Fall Prevention: This bill requires the California Department of Aging (CDA) to develop materials on aging in place, and the Program for Injury Prevention and instead establishes the Dignity at Home and Fall Prevention Program and requires CDA to provide grants to area agencies on aging (AAAs) for injury prevention services. **Position: Staff recommends support.**
- AB 2233 (Kalra) Assisted Living Waiver Program. This bill requires the Department of Health Care Services (DHCS) to submit in 2019 to the federal Centers for Medicare and Medicaid Services (CMS) a request for renewal of the Assisted Living Waiver program (ALW program) to increase the slots that would be phased in on a regional basis. **Position: Staff recommends support.**

e. Planning-Related Legislation:

Three bills AB 2890 (Ting), SB 831 (Wieckowski) and SB 1469 (Skinner) have all been introduced to reduce barriers to the development of Accessory Dwelling Units (ADUs), also known as “granny flats.” The authors of the bills believe that eliminating the barriers to ADUs is a cost effective approach to increasing access to affordable housing. Senator Wieckowski has introduced bills for the last three years on eliminating barriers to the development of ADUs. All three bills are similar in content and have been recently amended. Nossaman is working with County staff to review all three bills and ensure that the County is able to maintain local land use authority. Specific to Monterey County, the County Counsel’s office has recommended reviewing the bills to determine impacts and/or health and safety problems in a county like Monterey, where public services are not urbanized, for example water wells and septic systems, and where groundwater is impaired. **Position: Informational Item.**

- SB 831 (Wieckowski) Accessory Dwelling Units: As amended on May 1, this bill would amend Section 65852.2 of the Government Code, which currently governs adoption of regulations, to assert that a local agency may not implement standards for minimum lot size requirements for ADUs and shall allow for the construction of an ADU on any lot zoned for residential use, unless the local agency makes specific findings that the construction of the ADU would adversely impact public health and safety, including fire safety. This bill would prohibit an accessory dwelling unit from being considered by a local agency, special district, or water corporation to be a new residential use for purposes of calculating fees charged for new development, except in certain circumstances when a new or separate utility connection between the accessory dwelling unit and the utility may be required and except for certain fees charged by a school district that the bill would limit to \$3,000 per accessory dwelling unit. The bill would authorize the department, upon submission of an adopted ordinance for the creation of accessory dwelling units, to submit written findings to the local agency regarding whether the ordinance complies with statutory provisions.

The bill would authorize the department to adopt guidelines to implement uniform standards or criteria to supplement or clarify the terms, references, or standards set forth in statute and would exempt the adoption of those guidelines from the Administrative Procedure Act. This bill would also require the department to notify the city, county, or city and county and authorize notice to the Attorney General when the city, county, or city and county is not substantially complying with the above-described provisions regarding accessory dwelling units.

- AB 2890 (Ting)/SB 1469 (Skinner) Land Use: Accessory Dwelling Units: This bill would prohibit the imposition of lot coverage standards or requirements on minimum lot size, lot coverage, or floor area ratio, and would prohibit an ordinance from establishing size requirements for accessory dwelling units that do not permit at least an 800 square foot unit to be constructed. This bill would require a local agency that has or has not adopted an ordinance to consider a permit application for the creation of an accessory dwelling unit within 60 days. This bill would provide that, if a local agency imposes an owner-occupancy restriction, the frequency of monitoring owner occupancy shall not be monitored more frequently than annually, shall be based on specified published documents, and would further define "owner-occupant" for purposes of that requirement. This bill would request permits for junior accessory dwelling units to be permitted within 60 days of application and for those without adopted ordinances, similar standards established by other local agencies shall apply. Lastly, the bill requires the Department of Housing and Community Development to create and submit small building standards.

f. Other

- AB 2308 (Stone) Cigarettes: single-use filters: On February 23, the legislative committee took a support position on AB 2308 which would ban the sale of cigarettes with single use plastic filters. Single-use plastic cigarette butts are littering California's beaches. On May 2, Nossaman testified in support of this bill. The bill only received 3 of the necessary 8 votes to pass out of committee. The chair of the committee recommended an alternative approach to enforce anti-littering laws that punish the person who littered, rather than target the manufacturer.
- AB 3068 (Daly) County Government: Auditors: At the last legislative committee meeting, the committee recommended an oppose position, which needed board of supervisors' approval since it was not reflected in the County's legislative platform. Since that time, the bill has been amended and the areas of concern have been removed. County counsel has reviewed the amendments and agrees that no position is necessary at this time. ***Position: Staff recommended a watch position.***
- Coordination with Transportation Agency for Monterey County (TAMC) – Nossaman has reviewed a number of priority legislative proposals identified by TAMC. No positions are recommended at this time.

g. Greenfield Courthouse: Nossaman drafted a letter on behalf of the Board of Supervisors to the County's Legislative Delegation providing an update on the status of the Greenfield Courthouse project. Nossaman is coordinating an in-person meeting with the Judicial

Council to discuss the project status and the Governor's January budget proposal to provide funding for 10 court construction projects. The meeting will take place in May.

h. CSAC Legislative Conference May 16-17, 2018 in Sacramento:

Potential meetings:

1. Senator Monning, Senator Cannella, Assemblymember Stone, Assemblymember Caballero
 - Greenfield Courthouse
 - Interlake Tunnel Project
2. Members of the Assembly Agriculture Committee re: AB 1459 (Cannella)

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