



**TO:** Monterey County Legislative Committee

**DATE:** September 10, 2018

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

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**STATUS OF LEGISLATIVE SESSION:**

The Legislature wrapped up the 2017-2018 session on August 31, 2018. The Governor has 30 days, or until September 30, to take action on all bills he has been presented. The Governor can choose to sign or veto a bill, or he can do neither and the bill will automatically become law. Most laws will take effect on January 1, 2019, unless the bill was passed and signed as an urgency measure. Urgency measures take effect upon enactment.

Given the November election, we will start the next Legislative Session with a new Administration. Over recess, Nossaman will work with the County to vet any potential legislative proposals or budget requests for the upcoming Session.

**LEGISLATIVE UPDATE:**

- **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 is now pending on the Governor's desk and his staff members involvement in the development of the language indicates that he will likely sign the bill. As for the cannabis and crop report bill, Nossaman has reached out to Assemblyman Stone to author this proposal in 2019.
- **Status of Legislative Proposals with Positions:** The County took positions on several bills this legislative year. Below is an update on priority bills the County took a position on.

**Health and Human Services:**

- AB 550 (Reyes): State Long-Term Care Ombudsman Program: funding. Status: Died in Policy Committee. County Position: Support.
- AB 626 (E. Garcia): California Retail Food Code: microenterprise home kitchen operations. Status: On the Governor's desk. County Position: Oppose.

- AB 1893 (Maienshein): Maternal mental health: federal funding. Status: Signed by the Governor. County Position: Support.
- AB 1909 (Nazarian): In-home supportive services: written content translation. Status: On the Governor's desk. County Position: Support.
- AB 1921 (Maienshein): CalWORKs: housing assistance. Status: On the Governor's desk. County Position: Support.
- AB 2018 (Maienshein): Mental health workforce planning: loan forgiveness, loan repayment, and scholarship programs. Status: Held on the Suspense File. County Position: Support.
- AB 2111 (Quirk): CalWORKs: sponsored noncitizen: indigence exception. Status: On the Governor's desk. County Position: Support.
- AB 2233 (Kalra): Medi-Cal: Assisted Living Waiver program. Status: On the Governor's desk. County Position: Support.
- AB 2430 (Arambula): Medi-Cal: program for aged and disabled persons. Status: Held on the Suspense File. County Position: Support.
- AB 3085 (Calderon): New Beginnings California Program. Status: On the Governor's desk. County Position: Support.

**Lead Paint:**

- AB 2073 (Chiu): Public nuisance: abatement: lead-based paint. Status: Pulled by Author after negotiations on lead paint solutions. County Position: Support.
- AB 2803 (Limon): Public nuisance: residential lead-based paint. Status: Pulled by Author after negotiations on lead paint solutions. County Position: Support.
- AB 2851 (Grayson): Lead exposure: abatement. Status: End of session gut-and-amend that did not move. County Position: Watch.
- AB 2934 (Stone): Residential lead-based paint hazard reduction program: county health departments: certification. Status: Pulled by Author after negotiations on lead paint solutions. County Position: Support.

**Safe and Affordable Drinking Water Fund:**

- SB 623/SB 844/SB 845 (Monning): Water quality: Safe and Affordable Drinking Water Fund. Status: Died in Rules Committee. County Position: Support.

**Cannabis/Hemp:**

- SB 930 (Hertzberg): Financial institutions: cannabis. Status: Held on the Suspense File. County Position: Support.
- SB 1409 (Wilk): Industrial hemp. Status: On the Governor's desk. County Position: Support.

**Other:**

- SB 10 (Hertzberg): Pretrial release or detention: pretrial services. Status: Signed by the Governor. County Position: Watch.
- SB 1079 (Monning): Forest resources: fire prevention grants: advance payments. Status: On the Governor's desk. County Position: Support.
- AB 1754 (McCarty): State full-day preschool program: eligibility for enrollment: low income schools. Status: Held on the Suspense File. County Position: Support.
- AB 2421 (Stone): Wildlife Conservation Board: Monarch Butterfly and Pollinator Rescue Program. Status: On the Governor's desk. County Position: Support.
- AB 2772 (Medina): Pupil instruction: ethnic studies: grant program. Status: On the Governor's desk. County Position: Support.
- AB 2966 (Aguiar-Curry): Disaster relief. Status: Held on the Suspense File. County Position: Support.

• **Ballot Initiatives:**

- **Proposition 1: Veterans and Affordable Housing Bond Act of 2018.** This Proposition would authorize the issuance of \$4 million in bonds for housing programs, infill infrastructure financing, and affordable housing matching grant programs, and farm, home, and mobile home purchase assistance for Veterans. The chief proponent of the measure is Affordable Housing Now. There are two ballot measure committees registered in support of Proposition 1 and they have raised \$2.14 million in contributions.  
**County Position: Support**
- **Proposition 2: No Place Like Home Act (NPLH) of 2018.** This proposition would authorize up to \$140 million in Mental Health Services Act (MHSA) funding to be diverted in 2018-19 to "jump-start" NPLH, and allow the issuance starting in January of 2019 of up to \$2 billion in bonds to build permanent supportive housing units. Similar to Proposition 1, the chief proponent of the measure is Affordable Housing Now and they have raised \$2.09 million in contributions.  
**County Position: Support**
- **Proposition 3: Water Supply and Water Quality Act of 2018.** This initiative authorizes \$8.877 billion in water infrastructure including safe drinking water, Sustainable Groundwater Management implementation, watershed restoration, fish and wildlife habitat conservation, and infrastructure repair. The July 2018 Public Policy Institute of California survey found strong support for Proposition 3; 58% of California likely voters support.  
**County Position: Support**
- **Proposition 5: People's Initiative to Protect Proposition 13 Savings.** This measure is solely sponsored by the real estate industry and is opposed by a broad coalition including local government, public safety, education, seniors, and labor. The Proposition would permanently erode the property tax base and result in county losses totaling hundreds of millions dollars statewide growing to \$1 billion

annually for local governments. Statewide, Proposition 5 will also result in losses totaling \$1 billion annually from school property tax. The Legislative Analyst's Office warns that the measure could eventually lead to \$2 billion or more in lost annual tax revenue. The Realtors, the proponents of the measure, challenge this assertion and point to the new revenue that would come in as older homes worth \$500,000 and more are finally taxed at their current value. There is one ballot measure committee registered in support of the measure, Homeownership for Families and Tax Savings for Seniors, sponsored by the California Association of Realtors. The committee had received \$7.20 million, all from the California Association of Realtors and the National Association of Realtors.

***County Position: None, CSAC recommends an oppose position.***

- **Proposition 6: Voter Approval for Increases in Gas and Car Tax.** This Proposition would repeal funding from SB 1 (Beall) for bridge and road safety, transportation and public transit improvement projects. According to the most recent campaign finance reports (through June 30, 2018 and the interim reports as of August 28, 2018), the Yes on Proposition 6 campaign had raised \$3.4 million and the No on Proposition 6 campaign and allied committees had raised \$24.3 million. The next scheduled reports are due September 27, 2018.

***County Position: Oppose***

- **Proposition 10: Affordable Housing Act.** The measure repeals the limits on local rent control laws in Costa-Hawkins. Under the measure, cities and counties can regulate rents for any housing. They also can limit how much a landlord may increase rents when a new renter moves in. The measure itself does not make any changes to local rent control laws. With a few exceptions, cities and counties would have to take separate actions to change their local laws. The measure requires that rent control laws allow landlords a fair rate of return. This puts the results of past court rulings into state law. The chief proponent of the measure is Michael Weinstein of the Aids Healthcare Foundation (AHF). AHF is a powerful player in Los Angeles healthcare and housing policy. It also sponsored Prop 61, an unsuccessful 2016 measure to reduce drug prices. Supporters of Proposition 10 include housing and tenants groups, the Democratic Party and public employee labor groups. Opponents include business groups, developers, property owners and building trades labor groups.

***County Position: None, up for the Legislative Committee's consideration.***

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

See attached.