



**TO:** Monterey County Legislative Committee **DATE:** July 22, 2019

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**RE:** Legislative Program: State Advocacy Updates

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The State Legislature has recessed for a four-week summer break. When the Legislature returns to Sacramento on August 12, it will focus on fiscal hearings for the remaining bills and then final floor actions before bills are passed along to the Governor for his consideration and action. The Legislature adjourns the 2019 legislative session on September 13.

## 1. State Budget

On June 27, 2019, the Governor signed the budget bill, which includes \$214.8 billion in spending for FY 2019-2020, of which \$147.8 billion is the General Fund. The final budget includes an additional \$19 billion set aside in the state's "rainy day" reserves.

- a. **\$17 Million for the Interlake Tunnel:** Nossaman worked closely with Senator Monning and Assemblymember Rivas to request and secure State Budget funding totaling \$17 million for fish screens for the Interlake Tunnel. Working closely with Supervisor Alejo and the County IGLA office, we coordinated several outreach efforts both locally and at the State level to gather support for this request. The funds will be awarded through the California Department of Fish and Wildfire. Nossaman will work with the County to negotiate favorable terms for the disbursement of funds that align with the project development schedule.
- b. **\$5 Million for the Salinas Soccer Complex:** The State Budget included \$5 million for the Salinas Soccer Complex, as requested by Senator Caballero. The County took a support position on this funding request, and testified in Budget Committee.
- c. **Comprehensive Proposal for Safe Affordable Drinking Water:** In a compromise with the Legislature, the budget includes a Safe Affordable Drinking Water Fund which is funded through \$100 million of Cap-and-Trade money and \$30 million in General Fund dollars in the next year and additional funding through 2030 to provide safe, affordable drinking water to California communities.

## 2. Sponsored Legislation

- a. **SB 657 (Monning): Cannabis cultivation: county agricultural commissioners: reporting - SPONSOR:** On July 3, 2019, SB 657 was heard in the Assembly Agriculture Committee and passed 9-0-2. The bill is now headed to the Assembly Appropriations Committee. The fiscal committee deadline is August 30. We were able to negotiate some final amendments that removed concerns from the Administration and the California Farm Bureau.

### 3. Legislation

- a. **AB 402 (Quirk): State Water Resources Control Board: local primacy delegation: funding stabilization program – RECOMMEND SUPPORT:** This bill would authorize the State Water Resources Control Board to fund oversight of small public drinking water systems in Local Primacy Agency (LPA) counties by increasing fees paid by all public water systems, including those that are not within LPA counties or subject to LPA oversight. If this bill is not successful, the County of Monterey might need to hand the LPA authority back to the State Water Resources Control Board, given the lack of funds to operate this program. AB 402 was heard in the Senate Environmental Quality Committee on July 3 and passed 5-0-2. It is pending a hearing in the Senate Appropriations Committee.
- b. **AB 539 (Limon): California Financing Law: consumer loans: charges - RECOMMEND SUPPORT:** This bill seeks to promote affordable and accessible credit for consumers by establishing an annual interest rate cap on personal loans and give responsible lenders confidence in the regulatory stability of California so they can expand and offer safer loan alternatives to consumers. This bill is pending in the Senate Appropriations Committee.
- c. **AB 1054 (Holden): Public utilities: wildfires and employee protections – WATCH:** On July 12, Governor Newsom signed AB 1054 into law. This bill is the first of multiple measures to address wildfires, and it passed the Legislature in record time with bipartisan support. AB 1054 was broadly supported by wildfire victims' groups, environmental organizations, the labor community, electric utilities and others. There were very few organized opponents to the measure. However, several legislators voted against AB 1054, arguing their concern that the measure would reward bad behavior by the IOUs and because it could be perceived publicly as a "bailout" for PG&E.
- d. **AB 1482 (Chiu): Tenancy: rents caps - RECOMMEND SUPPORT:** This bill would protect rental housing residents from large unforeseen rent increases and evictions without diminishing property owner's ability to make a fair return on their investment. This bill pending in the Senate Appropriations Committee.
- e. **AB 1747 (Gonzalez): Law enforcement: immigration – RECOMMEND SUPPORT:** The County took a support position on this bill, however the bill was amended to be much more broadly related to immigration. The previous version of the bill would have protected the privacy of personal information collected by the Department of Motor Vehicles for the purpose of issuing driver's licenses. The amended version of the bill restricts California law enforcement agencies from making the information in their databases available to any person or entity for the purposes of immigration enforcement, except under narrow, specified circumstances. Separately, the bill requires California law enforcement agencies to justify withholding information regarding their participation in joint law enforcement task forces from California Public Records Act (CPRA) requests, when such justification is requested.
- f. **SB 128 (Beall): Public contracts: Best Value Construction Contracting for Counties Pilot Program – RECOMMEND SUPPORT:** This bill outlines an alternative contracting authority allows counties to consider things like qualifications, instead of just

the lowest bidder, for construction projects. This authority current exists for the counties of Alameda, Los Angeles, Riverside, San Bernardino, San Diego, San Mateo, Solano and Yuba. The proposed legislation add Santa Clara County. Based on the issues with the Juvenile Hall construction, County staff asked Nossaman to explore opportunities for the County of Monterey to be added to the bill. We've spoken with the author and he is ready to amend in the County of Monterey. We had conversations with the author of the bill prior to the legislative committee meeting since there is only one month left in the legislative session. Also, Senator Beall asked us to communicate with the Monterey County legislative delegation and we've spoken with all four members, who indicated they would be supportive of our request to be included in the bill. This bill is pending in the Assembly Appropriations Committee.

- g. SB 200 (Monning): Drinking water - SUPPORT:** The California Legislature recently passed SB 200 that will create an annual fund of \$130 million to address the state's drinking water problems. Approximately one million Californians do not have access to clean drinking water due to natural or man-made causes. SB 200 will give public agencies, nonprofits, public utilities, mutual water companies, tribes, and groundwater sustainability agencies the opportunity to apply for funding to remediate their drinking water problems. SB 200 will use money from the State's cap and trade fund, which generates revenue when entities purchase credits to emit greenhouse gases. The bill makes \$130 million available per year through 2030 to help water providers with their operating costs, including consolidating smaller water districts to help improve their management and finances. This bill is pending on Governor Newsom's desk and he is expected to sign the bill into law.

#### **4. Work with Rural County Representatives of California (RCRC)**

- a. Leveraging County Resources:** We anticipate that the County will officially become a member of RCRC on August 14, when membership is expected to be approved by the RCRC Board of Directors. With this new legislative tool in our hands, Nossaman and the IGLA office are working with RCRC to strengthen our resources. There have already been a few examples of us working together. We have been engaged with RCRC this year on the County's sponsored bill, SB 657 (Monning) related to reporting cannabis production reporting. RCRC is supporting this bill. We also reached out to RCRC inquiring if they could provide technical assistance to the County for a legislative fix to extend the community facilities district beyond the sunset of FORA. Nossaman and the IGLA office will continue to utilize the new relationship with RCRC in a way that helps leverage resources.
- b. Veterinary Medical Board Regulations:** The Veterinary Medical Board has proposed new regulations that would require city/county shelters to upgrade facilities and service to meet the standards of veterinary hospitals. California Animal Welfare Association (CalAnimals) and RCRC have taken the lead role on this issue. We understand the Senate Business and Professions Committee is also working on a legislative fix. Nossaman will engage with RCRC and the Committee on this issue.

#### **5. State Bill/Issue Track: Attached.**