

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

138



FROM: Executive Office

SUBMITTAL DATE:
January 27, 2015

SUBJECT: 2015 State Legislative Platform

RECOMMENDED MOTION: That the Board of Supervisors:

1. Approve the 2015 State Legislative Platform and direct the Executive Office and the county's Sacramento based representatives to advance the legislative proposals contained herein. All districts, [\$0]

BACKGROUND:

Summary

Each year, the Board of Supervisors adopts a State Legislative Platform to guide the legislative advocacy efforts at the state level. The Executive Office working in conjunction with Board members, department heads, state and regional advocates, developed the State Platform to address a variety of crucial issues facing the county. Previously approved Board positions from earlier state platforms are still in effect. The 2015 Platform includes key state legislative priorities, new policy items and selected policy items of continuing importance.

Alex Gann

Alex Gann
Deputy County Executive Officer

Departmental Concurrence

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost:	POLICY/CONSENT (per Exec. Office)
COST	\$ 0	\$ 0	\$ 0	\$ 0	Consent <input type="checkbox"/> Policy <input checked="" type="checkbox"/>
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0	

SOURCE OF FUNDS: N/A

Budget Adjustment: N/A

For Fiscal Year: 13/14-14/15

C.E.O. RECOMMENDATION:

APPROVE

BY: *George A. Johnson*
George A. Johnson

County Executive Office Signature

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Ashley, seconded by Supervisor Benoit and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Tavaglione, Benoit and Ashley
Nays: None
Absent: None
Date: February 10, 2015
xc: E.O.

Kecia Harper-Ihem
Clerk of the Board
By: *Kecia Harper-Ihem*
Deputy

- A-30
- Positions Added
- 4/5 Vote
- Change Order

Prev. Agn. Ref.:

District: All

Agenda Number:

3-34

**SUBMITTAL TO THE BOARD OF SUPERVISORS, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA
FORM 11: 2015 State Legislative Platform**

DATE: January 27, 2015

PAGE: 2 of 2

BACKGROUND:

Summary (continued)

The 2015 platform includes new state policy items and key selected policy items of continuing importance. Examples of new items include support for Protective Orders for victims of Elder and Dependent Adult Abuse; full funding of State PILT payments; legal costs for county counsel cost recovery.

Given the state's continuing effort to solve budget issues through the realignment of programs, the county will oppose any further transfer of programs; without sufficient guarantees that adequate, funding is provided to implement those programs.

The county will continue to monitor the state budget process and request that the state move toward more sound fiscal policies that will help restore balance in keeping programs sufficiently funded. The state needs to make a rainy day fund a reality.

The platform includes the Urban County Caucus legislative priorities and policies for 2015 that is attached. Due to the dynamic nature of the legislative process, additional state legislative issues of concern to the county will be brought forward to the Board for appropriate action throughout the year as the need arises.

Based on the principles of fiscal stability, preservation of local control, efficient service delivery/operations, and the promotion of inter-agency cooperation, the Riverside County Board of Supervisors provide specific direction and overall policy guidance by adopting an annual platform for each legislative session in accordance with Board Policy A-27.

Impact on Residents and Businesses

The action should not affect residents or businesses.

SUPPLEMENTAL:

Additional Fiscal Information

N/A

Contract History and Price Reasonableness

N/A

Clerk's
Copy

RIVERSIDE COUNTY

2015

STATE LEGISLATIVE PLATFORM



BOARD OF SUPERVISORS

Marion Ashley, Chairman
Fifth District

Kevin Jeffries
First District

John Tavaglione
Second District

John J. Benoit
Fourth District

Vacant
Third District

Jay E. Orr
County Executive Officer

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Executive Summary

Executive Summary

The Executive Office prepared this document with assistance from the Board members, department heads, federal advocates and regional stakeholders. Previously approved Board positions from earlier Federal Platforms are still in effect. The 2015 platform includes: key federal legislative priorities, new existing policy items, selected policy items of continuing importance, and finally the CSAC federal priorities are presented for Board approval. Due to the dynamic nature of the legislative process, additional federal legislative issues of concern to the county will be brought forward to the Board for appropriate action throughout the year as the need arises.

Based on the principles of fiscal stability, preservation of local control, efficient service delivery and operations and the promotion of inter-agency cooperation, the Riverside County Board of Supervisors provide specific direction and overall policy guidance by adopting an annual platform for each legislative session in accordance with Board Policy A-27.

State Legislative Priorities

Governance and Finance:

In order to fulfill the dual roles of agent of the state and local service provider, counties must have adequate authority, flexibility, and resources. Most importantly, counties must have stable sources of revenue that enable them to implement state laws and respond to essential local priorities.

- Support measures that provide adequate funding for programs the county operates on behalf of the state and oppose additional program reductions unaccompanied by a commensurate decrease in responsibility and any attempts to shift costs to counties.
- Support measures that provide constitutional protection of all local revenues.
- Support measures that provide greater decision-making authority over the use of state funds, including direct grants or mandatory pass-through allocations.
- Oppose measures that erode local control and impose additional mandates without a funding mechanism in place.
- Support legislation or budget actions that reduce, streamline or eliminate duplicative or contradictory regulatory and administrative oversight requirements of state programs.
- Support legislation or budget actions that enable the county to address unmet needs in economic development, affordable housing and infrastructure.
- Oppose reductions in state programs that require increased local funding to maintain the same level of service.
- Oppose legislation that alters the existing Meyer-Milias-Brown Act (MMBA) and creates uncertainty for county budgets
- Work with the Legislature and the Governor to reform CEQA, and advocate for meaningful revisions that will improve the process.
- Support renewable energy projects while maintaining local land use control, ensuring adequate revenue to offset impacts.



New State Legislative Policy Items

Protective Orders for Victims of Elder and Dependent Adult Abuse

Issue: County Adult Protective Service (APS) agencies lack legal authority to protect elder and dependent adults from financial and other types of abuse in a timely manner.

Action: Support legislation to add county APS agencies to the entities that may petition for protective restraining orders on behalf of an abused elder or dependent adult, add financial abuse as a reason to issue the protective order, and add the ability to exclude the financial abuse perpetrator from the victims residence.

Background: Currently, protective orders apply to physical violence and intimidation by the perpetrators of abuse, and may require initiation by an incapacitated victim. Under Welfare and Institutions Code 15657.03 a protective restraining order may be initiated by the victim, or a petition may be brought on behalf of an abused elder or dependent adult by several entities, including a conservator, a trustee, an attorney-in-fact with the authority of the power of attorney, a guardian ad litem, or other person legally authorized to seek such relief. APS agencies are a glaring omission from entities that should be able to file the petitions.

County Adult Protective Services agencies are expected to be one of the first lines of defense in elder and dependent adult abuse and may be the first entity to become aware of physical or financial abuse. Delays in protecting the elder or dependent adult may have disastrous consequences for the victim.

Lack of access to financial information and financial protective intervention measures are among the biggest existing holes in the tools for APS agencies. Situations have occurred where bank accounts and even homes are stolen out from under incapacitated or hospitalized elders and dependent adults. With access to the victim, abusers are able to get them to sign documents granting access to accounts and transferring real property. In these situations, social workers and law enforcement officers have not able to put protective orders in place to keep the victim from further abuse. Current protective orders are inadequate to protect victims of elder or dependent adult abuse or those that are at serious risk of abuse.

Two of the biggest weapons of the financial abuser are physical isolation and intimidation. It is extremely important to remove the financial abuser from the home. Remaining in the residence of the victim increases the likelihood of additional financial abuse.

By adding APS agencies to the entities that may petition for protective restraining orders, adding financial abuse to the crimes for which protective orders may be issued and to allow for the ability to exclude the financial abuse perpetrator from the victims' residence, APS can help to avoid the disastrous potential outcomes caused by delay.

Legal Costs

Issue: The appellate court has ruled that county counsel is not entitled to recover their attorney time in accordance with 1305.3, because the provision only refers to “costs” and costs do not include attorney’s fees.

Action: Add a last sentence to 1305.3 that states, “For purposes of this section, costs shall include the time spent by the prosecuting agency, at the hourly rate generally set by the agency’s county.”

Background: Penal Code 1305.3 states that the district attorney or county counsel shall recover, out of forfeited bail money, the costs incurred in successfully opposing the motion [and collecting on summary judgments]. The California legal interpretation of “costs” typically means direct costs, and does not include attorney fees. However, when 1305.3 was last modified to include county counsel as a recovering agency, the legislative intent stated the importance of an agency not being tasked with recovering bond money without receiving compensation. County counsel offices are not charging true fees as much as they are charging a rate set by their Board, based on salary, overhead, etc. In fact, there are no “costs” associated with filing motions in bond matters, other than the cost of a stamp to serve the motion. The County is exempt from filing fees.

There would be wide support from all of the other counties of the State.

Probation/Community Corrections

Protect Funding: Advocate for funding to improve community corrections. Maintain funding for adult probation services under SB 678 funding streams. Protect funding for juvenile probation services under Title IV-E. Oppose new unfunded mandates and seek funding for existing unfunded mandates.

Encourage Policies and Funding that Support a Strong Adult Community Corrections System. Encourage the use of split sentences; Protect Probation's ability to successfully implement the Public Safety Realignment Act of 2011. Support legislation and funding for supervision strategies and Evidence Based Practices (EPB) that consider the treatment and service needs of offenders under probation supervision with mental illness and substance abuse disorder in order to improve outcomes for these populations and incentivize successful completion of programs for all offenders under probation supervision. Encourage justice reinvestment at the state and local levels. Continue to invest in funding for community corrections training. Increase capacity of Community Based Organizations (CBOs) to provide Evidence Based Practices (EBP).

Encourage Policies and Funding that Support a Strong Juvenile Services System. Promote the application of EBP within juvenile halls and camps as well as throughout community supervision of youth within and outside the family home and among Community Based Organizations (CBOs). Maximize and protect federal revenue resources such as Title IV-E and Med-Cal Administrative Activity (MAA). Protect critical funding sources to juvenile probation services as well as support and examine opportunities to streamline probation activities to avoid duplication of efforts while ensuring program integrity. Explore and promote opportunities to reduce out of county placement of probation youth when suitable and appropriate.

SRA Fire Hazard/Fire Prevention Tax

Issue: Inadequate funds are available to fund wildland fuel breaks and other wild fire hazard reduction programs in Riverside County.

Action: Procure funding from the SRA Fire Hazard/Prevention Tax fund to mitigate local impacts.

Background: The SRA Fire Hazard/Prevention tax was established within recent years and funds have been slowly metered out to participating entities. The County has significant needs with wildland fire breaks and other fire hazard reduction programs within the County.

Limitations Period on Claims of Tax Refunds

Issue: A Statute of limitations must be imposed on tax refund claims after a Notice of Overpayment has been sent by a County Tax Collector.

Action: The Legislature should amend Revenue and Taxation Code Sections 5097 and 2635 to expressly state that even when Section 2635 Notice of Overpayment is given, a taxpayer may only claim refunds for taxes paid in the previous four years.

Background: California Courts have determined that County Tax Collectors have a duty to provide notice of possible tax overpayments pursuant to Revenue and Taxation Code Section 2635 which then provides for claims for refund of taxes to be filed within one year of the Notice. Generally, Revenue and Taxation Code Section 5097 sets a limitations period of four years from the date of the payment of the tax for any claim for refund except when notice is provided pursuant to Revenue and Taxation Code Section 2635. Courts have concluded that limitations periods are “revived” when the Section 2635 Notice is given. When Section 2635 Notice is provided, Claimants have argued that they may recover taxes paid going back decades because there is no specific limitations period provided. California Courts have determined that the legislature intended to “revive” the four year limitations period and to allow tax refund claims beyond the four year statute of limitations period when the Section 2365 Notice is given. However, it is not clear that any limitations period currently exists when the Section 2635 Notice is given by a Tax Collector. Because there is no express statutory limitations period applicable to claims for refund following Section 2635 Notice, taxing entities are subjected to stale refund claims that have to be paid from current revenues. Therefore, taxing entities cannot have certainty over their financial positions.

This issue is acutely felt in Riverside County where a challenge to the County’s Indian Possessory Interest tax is being litigated. If the tax is invalidated and the County Tax Collector is forced to give Section 2635 Notice, Claimants are likely to claim refunds of taxes going back more than four years. The County and its taxing entities raise approximately \$20 million per year from the Indian Possessory Interest Tax. A four year statute of limitations contains the liability for refunds at approximately \$80 million plus interest. However, if no limitations period is applied to these tax refund claims, the exposure is incalculable. Amending the Revenue and Taxation Code to provide for a four year statute of limitations on claims for refunds filed after Section 2635 Notice would provide financial certainty and ameliorate liability for counties and taxing entities.

Housing

Issue: The elimination of redevelopment has drastically limited the County of Riverside's ability to produce needed affordable housing and meet its Regional Housing Needs Assessment (RHNA) Allocation Plan. The RHNA is mandated by State Housing Law as part of the periodic process of updating local housing elements of the General Plan and quantifies the need for housing within each jurisdiction during specified planning periods. Every general plan must contain a housing element that makes "adequate provision for the existing and projected housing needs of all economic segments of the community." The housing element is a planning document, requiring the community to plan for meeting its "fair share" of regional housing market need.

Action: Urge the State of California to fully fund a replacement for affordable housing activities that is guaranteed to fund each jurisdiction with the amount lost due to the dissolution of redevelopment.

Background: Historically, the state through redevelopment has invested in low- and moderate-income housing primarily by providing funding for construction of affordable housing projects. On February 1, 2012, all redevelopment agencies were eliminated. The Community Redevelopment Law required redevelopment agencies to set aside 20% of all tax increment revenue to increase, improve, and preserve the community's supply of low- and moderate-income housing. With the elimination of redevelopment agencies, this source of funding for affordable housing is no longer available and makes it nearly impossible to construct and preserve much needed affordable housing in Riverside County.

Housing

Issue: The current regulations of the Low Income Housing Tax Credit Program group the Inland Empire region to include San Bernardino County, Riverside County and Imperial County into one geographic set-aside which accounts for 12% of the state of California's population.

Action: Urge local and state legislators to support regulatory changes to the Low Income Housing Tax Credit Program so as to align the allocation of Low Income Tax Credits with the region's population. The allocation should increase from 8.3% to 12%.

Background: The California Tax Credit Allocation Committee has established ten geographic regions and allocated a percentage of available low income housing tax credits to each region. The County of Riverside, San Bernardino, and Imperial are grouped together to form one of the ten regions defined as the Inland Empire Region. The current Inland Empire population is 4,557,462 residents, which represents 12% of the current statewide population. The Inland Empire region receives only 8.3% of the geographic apportionments; the current regulations of the Low Income Housing Tax Credit Program unjustly disadvantage the Inland Empire region with a disproportionate allocation of low income housing tax credits by geographic areas.

Workforce Investment Board & Workforce Development

Issue: Passage of the Workforce Innovation and Opportunity Act (WIOA) will present challenges in implementation and service provision to the tens of thousands of businesses and job seekers who utilize workforce services in Riverside County. Imminent shifts in governing, administrative and programmatic infrastructure require a planned and methodical implementation to ensure the least negative impact to our customers.

Action: Under WIOA, § 106 (b) Recommend that the Governor approve local area designation requests from areas formerly designated under WIA to ensure consistency of infrastructure and services.

- Under WIOA, § 107 (d) (7) Recommend the development of strategies to maximize accessibility and effectiveness of local system technology through universal intake mechanisms.
- Under WIOA, § 107 (g) Recommend that the Governor and CLEO (Chief Local Elected Official) agree to designate or certify as One-Stop Operator the currently designated operator under WIA to ensure consistency of infrastructure and services.
- Under WIOA, § 116 (d) Recommend that Performance Reporting as it relates to contents of the Eligible Training Providers Report (ETPL) be developed with all stakeholders involved to ensure accountability and transparency.
- Redirect available funds to build economic and workforce capacity in the Inland Empire.

Background: These recommendations for a planned and methodical shift in the workforce system are supported by the following:

- 65% of California's WIBs are housed within local government entities and currently operate one-stop centers, staffed by labor represented members. To require an immediate system change will shift energy and efforts from ramping up a new system and service to customers to a focus on administrative and procurement activities, and stakeholder negotiations.
- California's one-stop system leverages non-federal funds through its many partners to support workforce programs and services. The leveraged funds from facilities costs alone would make most external bids non-competitive.

The Riverside County Workforce Investment Board is one of 600 private-sector led Workforce Investment Boards (WIBs) in the Country. WIBs are transforming the nation's workforce system to be responsive to the demands of a global economy. Through strong strategic partnerships with private-sector businesses, local government, community-based organizations, institutions of higher education and K-12 educations, WIBs remain in a prime position to serve as the pipeline for a skilled labor force necessary for economic recovery and long-term growth.

Salton Sea

Issue: Proposition 1 (Water Bond): Implementation: Chapter X fair share

Action: Riverside County needs to assert a leadership role in developing Prop 1 Water Bond implementation language expediting expenditure of fair share of funding for Salton Sea revitalization as part of the \$475 million provision related to state obligations in water right settlements including the Quantitative Settlement Agreement (QSA) of Colorado River water supplies.

Background: Riverside County has provided leadership, support and cooperation to the Salton Sea Authority (SSA) in securing provisions in the Prop. 1 Water Bond that call for timely expenditure of funding for Sea revitalization projects.

Specifically, Riverside County and the partnering SSA member agencies succeeded in securing \$475 million provision to help fulfill the State's obligations in water-related settlements, including the QSA. The \$475 million is a pot of money that must be distributed fairly among several water settlement regions and projects in the state.

The provision of Prop 1 funding QSA related settlement agreements was successfully broadened, through efforts by Riverside County and SSA cohorts, to explicitly include efforts to restore habitat and provide air quality mitigation at the Salton Sea, in order to assist the State in meeting critical habitat replacement needs and to fulfill legislative promises that were made to address the State's last water crises.

The QSA water transfers are the lynch pin of the California Water plan to live within California's Colorado River allocation. In proceedings to authorize the QSA transfers, it became clear that the transfers would have a large impact on the Salton Sea. In order to facilitate a resolution of the disputes, and solidify support for the locally- unpopular transfers, the state agreed in the QSA settlement agreements to mitigate QSA related impact to the extent that they exceeded the \$133 million contributed by QSA participants. Furthermore, we do not believe Prop. 1 bond moneys should end the state's obligation to mitigate and/or pay for restoration.

The QSA enabling legislation also commits the State to assist in the Sea's restoration:
SB 654, Machado (2003).

Restoration of the Salton Sea is in the state and national interest.

The Legislature further finds that it is important that actions taken to reduce California's Colorado River water use are consistent with its commitment to restore the Salton Sea, which is an important resource for the state.

SB 1214, Kuehl (2004).

2931. (a) It is the intent of the Legislature that the State of California undertake the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem.....

3) Existing law declares the intent of the Legislature that the State of California undertake the restoration of the Salton Sea ecosystem and the permanent protection of the wildlife dependent on that ecosystem. The proposed funding plan shall include a determination of the moneys that are, or may be, available to construct and operate the preferred project, including, but not limited to, all of the following moneys:

- (i) Moneys in the Salton Sea Restoration Fund established by Section 2932.
- (ii) State water and environmental bond moneys

The Prop 1 Water Bond provides that bond funds be available to accomplish those purposes identified in the statues cited above.

Compounding the benefit, of course, is the potential reduction in state costs to mitigate destruction to the environment, human health and the economy in the absence of timely state contributions to meet its legal obligation under QSA.

It should be further noted that the SSA and its partnering agencies like Riverside County, continues marching forward with a restoration approach designed to deliver significant matching funding opportunities that can leverage state bond moneys as much as threefold. Coupled with investment from private sector, this strategy is ultimately destined to establish a sound environmental restoration plan that can be considered financially sustainable.

A synergistic approach to the Water bond, as requested above, should be developed as a means to responsibly manage the financial obligation on the state for water transfer mitigation and related restoration.

Energy

Issue: Renewable Energy: State Renewable Portfolio Standard (RPS) portfolio: Equitable cost

Action: Support a request to accurately account for the costs for producing energy eligible for consideration in the state Renewable Energy Portfolio

Background: The Salton Sea Renewable Energy Initiative concept supported by Riverside County calls for development of renewable energy resources at the Salton Sea in order to provide potential revenue streams to help fund revitalization projects and activities.

Geothermal energy has been identified as potentially one of the largest and most reliable sources of renewable energy. But it has not enjoyed support in the procurement policies associated with the state Renewable Energy Portfolio Standard.

The current RPS purchasing policy directs power purchasers to consider only the “best fit, lowest cost” when buying power from renewable energy sources. Because the formula does not account for the need to have baseload reliability, the 24/7 around the clock costs for a particular source are not fully accounted on some intermittent sources like wind and solar power, thus creating an inequitable cost accounting that eventually affects the viability of bringing other power sources to market that may be more capital intensive for start-up, but less costly to operate in the long run.

As it impacts the component of the Salton Sea Restoration and Renewable Energy Initiative, the current RPS formula undermines geothermal power development while favoring intermittent power sources because the intermittent sources do not include costs such as backup power provided by gas-fired generating plants.

Riverside County and its partnering agencies at the Salton Sea Authority successfully supported passage of AB 2363 (Dahle) a bill that directs the California Public Utilities Commission to re-examine the cost formulas for calculating cost of energy production in the Renewable Portfolio Standard to include the currently unaccounted integration costs associated with power generation from intermittent sources. The County needs to remain engaged in the CPUC policy review of these inequities that was successfully initiated by passage of AB 2363.

Economic Development

Issue: The elimination of Redevelopment has significantly hampered Economic Development efforts due to the loss of revenues to support programs and staffing levels. Riverside County was successful in receiving a designation for an Innovation Hub (iHub), but there was no funding from the state to support the designation.

Action: Urge the State of California to provide funding for implementation of the Innovation Hub program.

Background: In 2013, the County of Riverside, in coordination with the City of Los Angeles, UC Riverside, and the County of San Bernardino were successfully awarded an iHub designation for the Inland SoCal Link iHub. However, the designation itself is hampered because the State does not provide any funding for the program. The Innovation Hub program was approved at the state level during Governor Schwarzenegger's administration and the current administration has not provided any additional financial resources to the program.

Increase Adult Protective Services Training Budget

Issue: Statewide Adult Protective Services (APS) Training Budget: Proposed Increase to Non-Realigned Training Dollars by \$5 million

Action: Support legislation to increase the APS training budget by \$5 million, non-realigned training dollars.

Background: Training for APS workers and their partner agencies is woefully underfunded although the need continues to be acute. Currently \$154,000 State General Funds are allocated by the CDSS for statewide APS training, an amount that has remained static for 10 years. Many APS cases are complex and require coordination with other agencies to protect the victims and their assets. In addition, case numbers are rising, with financial abuse cases alone rising 41% between 2009 and 2013 in California.

Although APS and CWS workers provide similar services in similar situations, APS workers receive only 4 cents of every dollar of state and federally funded training that is provided to CWS workers. This is largely due to the lack of federal support currently available for APS programs and is impacted by the limited visibility that the program has at the state level. However, it is imperative that APS workers receive comprehensive training so that they may provide elder and dependent adult victims of abuse with the same types of essential services that our child abuse victims receive.

Notice of Hearings by Electronic Mail (Voluntary)

Issue: Current processing of juvenile court notices of hearings do not take advantage of recent technology, resulting in numerous delays and continuances of hearings.

Action: Support legislation to amend Welfare and Institutions Code notice statutes to create an "opt in" voluntary program for counties which would allow parties to be provided with notice by electronic mail.

Background: Although a majority of people now communicate regularly by electronic mail, there is no provision within the Welfare and Institutions Code notice statutes to allow for notices to be sent electronically. Sending legal notices through regular mail is both time-consuming and costly, and does not always result in actual notice to the intended recipient. In any case where the party lacks a permanent address, the notice may be retrieved by someone who is not a party to the proceeding.

In order to effectuate both timely and successful notice to parties, the notice provisions should be amended to allow for notice by electronic mail if the party agrees to receive notice electronically. This would facilitate and improve the successful delivery of notice to parties who lack a permanent address or who move frequently. The recipient's decision to opt in to receipt of electronic notice would be voluntary. For those parties or counsel that decline to accept electronic notice, all current notice provisions would be required to be met.

Foster Parent Recruitment and Retention

Issue: Current funding for foster parent and adoptive parent recruitment and support was realigned to counties in 2011 and is inadequate for the needs of foster and adoptive parents.

Action: Support legislation to provide additional state general funds to augment county foster parent recruitment, retention and support, augment Community Care Licensing (CCL) for Foster Family Homes and to enable additional counties to license foster homes as they begin to implement the Resource Family Approval Program (RFAP).

Background: Current funding for foster parent and adoptive parent recruitment and support was realigned to counties in 2011 and is inadequate for the needs of foster and adoptive parents. Additional funding will enable counties to implement strategies to increase the supply and availability of high quality foster parents and will enable the State to meet its legislative and court-mandated requirements to reduce the use of group home care. High quality foster parents who are prepared and supported are better able to meet the needs of foster children, which will improve child and family outcomes and help the state to meet federal outcome and accountability requirements and potentially avoid federal fiscal sanctions.

The Resource Family Approval Program (RFAP) was created to align licensing and approval processes for relatives and licensed foster parents, and was initially a pilot in 5 counties. The pilot has been expanded to a statewide program with phased-in implementation until statewide expansion is achieved by July 1, 2017. When realigned, the RFAP provided some funding for the initial five counties only. The challenge for these counties has been inadequate funding to support the increased, up-front costs of training for relative caregivers and assessments of foster parents and relative caregivers to determine their capacity for providing a loving home for foster children. Augmenting funds for Resource Family Approval will provide the financial support needed to implement the new assessment process.

Augmenting CCL Foster Family Home licensing from the state general fund to support counties that currently operate FFH licensing will enable additional counties to license foster homes as they begin to implement RFAP. There is an inadequacy of state funding for the 39 counties that contract with CCL to perform foster family home (FFH) licensing locally. Counties recruit foster families but those who rely on CCL find they must wait until the CCL office can process the potential foster parent, and in some counties, this can take several months.

Disproportionate Share of Cost Increases in the Aged and Disabled Federal Poverty Level (A&D FPL) Medi-Cal program

Issue: Disproportionate share-of-cost increases for Medi-Cal recipients resulting from cost-of living increases in Social Security income

Action: Support legislation to modify the Aged and Disabled Federal Poverty level program that will establish a more proportionate share of cost for Medi-Cal. The goal is to assist California citizens who qualify for the A & D FPL program to overcome the negative impacts of disproportionate Medi-Cal cost increases from annual living increases in Social Security Benefits.

Background: The State of California established the Medi-Cal A & D FPL program to provide medical coverage for its low income aged and disabled population. The A & D FPL program is also a source of funding for the In-Home Supportive Services program. Many people who qualify for this program receive their income from Social Security. The federal government, in response to inflation, establishes a small annual Cost of Living Adjustment (COLA) for Social Security benefits. The Federal Poverty Level also experiences small increases. Over time, the interplay between minor increases in social security income and unequal raises to the federal poverty level results in increases in the individuals share of cost.

For example, in order to qualify for the A & D FPL program, a single person's income could not exceed \$1158 per month in 2011. An A & D FPL recipient receiving \$1158 monthly SS income in 2011 would, in 2012, receive \$1200 monthly. The FPL in 2012 established a new income limit of \$1181. This recipient is now ineligible for the A & D FPL program and is put into the Medically Needy Medi-Cal Program. As a result, the elder/disabled's share of cost will increase from \$0 to \$580, despite the fact the recipients total income went up \$42, and they were ineligible to the program by only \$19 ($\$1200 - \$1181 = \19.00).

From April 2008 through April 2013, an average of 352 persons in Riverside County were terminated from the A&D FPL program on a yearly basis. Fiscally, the impact of establishing a proportionate share of cost should be minor as this change does not result in an expansion of eligibles to the Medi-Cal program, as the impacted persons are still eligible to the Medically Needy program.

Medi-Cal Allocation/Funding

Issue: The allocation for the administration of the Medi-Cal program is based on antiquated budgeting methodologies and has been held at the same level for several years. The level of funding is insufficient to handle increased workloads and meet case management standards

Action: Support legislation to increase Medi-Cal funding and provide a new budgeting methodology for determining allocations to the counties

Background: Between 2010 and 2014, the number of Medi-Cal cases in the County of Riverside increased by over 50%, while funding only increased by 31%. During FY 2013/14 alone, the number of Medi-Cal cases grew by over one-third, and in the last quarter of that fiscal year, the number of cases were increasing at the rate of over 10,000 per month. The current State budget is projecting a 60% increase in Medi-Cal caseload due to the Affordable Care Act this FY 2014/15, but without corresponding increase in funding, this will result in continued disparity between allocation and caseload growth.

Enhanced Penalties for Assaults on a Social Worker

Issue: Social worker safety

Action: Support legislation to add enhanced penalties for assaulting a Child Protective Services or Adult Protective Services Social Workers

Background: In 2009, West Virginia passed a bill increasing criminal penalties for crimes committed against government employees, enacted in memory a social worker who was brutally raped and murdered while doing a home visit for an early intervention program.

A social worker's activities can be similar to law enforcement activities. However, social workers are frequently placed in emotionally charged situations without a partner, adding to their increased vulnerability. Often making cold calls, they must knock on doors where they do not know what is awaiting them on the other side.

Studies have documented the occurrence of violence to social workers while they are in their workplaces. National prevalence rates for social workers' exposure to client violence indicate that between 65% and 86% of social workers have encountered violence by a client at some time during their career. A study conducted by the National Association of Social Workers found that 55 percent of 5,000 licensed social workers surveyed said they faced safety issues on the job.

Value of County Veterans Service Offices (CVSOs)

Issue: Support efforts to educate the Governor's Office, the Legislature, and the public on the importance and value of the County Veterans Service Offices (CVSOs).

Action: The eventual goal is to fully fund CVSOs by permanently appropriating the full \$11 million in local assistance funding as reflected in Military and Veterans Code Section 972.1(d).

Background: California is home to approximately two million veterans. Currently, the state budget allocates \$5.6 million in one-time funding to the County Veterans Service Offices (CVSOs) in 58 counties. CVSOs are the first contact for most veterans and are historically able to bring in \$100 of federal veterans benefits for every \$1 spent by the state. Without full funding, California's veterans will not get the government benefits for which they earned through their service in the military.

Office on Aging

Issue: Older Californians Act Funding

Action: Support Restoration of funding for the Older Californians Act State Community Based Service Programs

Background: Area Agencies on Aging (AAA), established under Older Americans Act (OAA) in 1973, receive federal, state, and local funds to contract with local organizations for service to seniors. There are 33 AAA's designated by the California Department of Aging as the local Planning Services Agencies. Riverside County Office on Aging was designated on June 18, 1974, by the Board of Supervisors, as a County Department on Aging for Planning and Service Area (PSA) 21. It serves as the official Area Agency on Aging throughout Riverside County, California.

The Mello-Granlund Older Californians Act (AB2800), signed into law in 1996, moved the primary focus for the delivery of services from the State to the local level. It identified area agencies on aging as the local units in California to administer programs in compliance with the Older Americans Act, the Older Californians Act, and other applicable regulations.

Effective October 1, 2009, the governor eliminated funding for the State Community Based Service Programs. Although the programs remain in statute in the Older Californians Act, funding has not been restored. The drastic funding cuts have damaged the ability of Area Agencies on Aging to fulfill their mission to serve California's growing older population, which is expected to nearly double in the next decade. According to the Kaiser Family Foundation, California has the second highest poverty among seniors, with twenty percent living in poverty (Supplemental Measure, 2009-11 Census).

The FY 2010-11 legislative budget package submitted to the governor included restoration of funding for the Older Californians Act Community Based Service Programs (CBSP), but the governor again blue lined out the funding for these programs. The California Association of Area Agencies on Aging (C4A) actively supported the legislative budget proposal for restoration of funding for the CBSP that keep seniors independent, avoiding costly placement in institutionalized settings.

Child Nutrition and WIC Reauthorization Funding

Issue: Child Nutrition and WIC Reauthorization

Action: Support Child Nutrition & WIC Reauthorization to provide full funding which is adequate to maintain current and anticipated Women Infant & Children (WIC) participation levels and assure adequate Nutrition Services and Administration (NSA) funding to maintain clinic costs, education and cost of living increases should the economic recovery take longer than anticipated. Child Nutrition also includes SNAP education for families.

Background: The Inland Empire continues to suffer from the economic recovery in which families utilize these programs to ensure access to healthy and nutritious foods where they live, play and learn. Since fiscal years 2006, more families in Riverside County have turned to WIC. These circumstances have forced WIC to utilize contingency funds to assure that mothers and young children were not turned away. WIC urges State Legislators and the Administration to carefully monitor WIC participation, food cost inflation and Nutrition Services Administration (NSA). Funding to assure that the budget request responds to economic conditions. Child nutrition and WIC programs strive to combat childhood overweight and obesity and chronic disease prevention and has been part of the President's budget proposals to Eat Healthier, Live Better and end poverty. WIC is 100% federally funded; increased funding for the county.

Health Realignment

Issue: Health Realignment Program not keeping up with county population growth

Action: Support or sponsor legislation that takes population growth into account for health realignment funding formulas.

Background: Realignment of health funding in 1991 aimed to provide a steady stream of growth by funding it through sales tax and vehicle license fees, two revenue sources that usually have annual growth. However, growth in health and mental health realignment is, in fact, not occurring to any significant degree, and is not keeping up with either inflation or population. Due to the realignment formulas, Riverside County is receiving almost the same amount of funding now as in 2003, despite significant increases in population, and in sales tax and VLF. The system is not working as intended. The past two January Budgets, the Governor has referenced the Administration's intention to develop a "Phase II Realignment" proposal focusing on state and county responsibilities in the context of national health care reform. The Administration has stated, at least conceptually, that they intend to leave public health funding at the local level. The other part of this change is the administration belief that all health care will be covered under health care reform. This does not address the residually uninsured, who will still fall to the public entity safety net system. This will need to be closely monitored and analyzed to protect local public health funding.

Public Health and Medical Emergency Preparedness and Response Funding

Issue: Funding local health jurisdiction planning, preparedness and response to acts of terrorism, disasters, or other public health emergencies.

Action: Maintain or increase federal and state funding to offset the local costs associated with planning for and responding to the public health and medical consequences of terrorism, natural disasters and/or other public health emergencies.

Support the removal of restrictions on the utilization of grant funds to fund personnel, including permanent and temporary staff positions and contract personnel.

Support the continued use of grant funds for the infrastructure needed for personnel, including such charges as rent, communications equipment and computer support. Continue to allow these costs to be billed as direct line items.

Support the determination of an indirect rate for grant funds that more accurately reflects the overhead costs of local public health departments.

Background: The terrorist activity on and after September 11th 2001, Hurricane Katrina, the October 2007 fires in Southern California, 2009 H1N1 Pandemic Influenza and the 2015 Ebola response are a few examples of events that have highlighted the impact of terrorism, natural disasters and public health emergencies on local, state and federal medical/health response capabilities.

Federal and state funding often have restrictions on the amount of personnel that can be supported by emergency preparedness and response grants. Although the grants allow for the utilization of contract staff, these staff are unfamiliar with local policies and procedures, do not necessarily have a vested interest in the community in which they are working, and are often only contracted for a short period of time. In addition, some federal and state grants include contract staff in personnel caps. Grant funds provided by the state should not restrict the funding of personnel at the local level; such restrictions severely impair the ability of the local health jurisdiction to develop and support comprehensive activities to combat the evolving threats of terrorism, natural disasters and other public health emergencies.

Increases in state and federal funding are needed to augment local programs to prepare for and respond to all forms of terrorism, natural disasters or other public health emergencies. Legislation is needed which increases prevention and response capabilities and strengthens the partnerships between state, federal and local agencies to effectively identify, prevent and respond to the medical/health consequences of

terrorism, disasters or other public health emergencies. Funding formulas should consider proximity to high profile, high impact targets in nearby jurisdictions as nearby jurisdictions will likely be severely impacted through the provision of mutual aid or by the influx of large numbers of people seeking shelter and/or treatment.

Elections – Special Vacancy Elections

Issue: The State does not pay for Special Elections to fill vacancies in the offices of United States Representative, State Senator, or Member of the State Assembly.

Action: Pursue state legislation to amend the California Elections Code to require the State to reimburse counties for the cost of conducting special elections to fill vacancies in the offices of United States Representative, State Senator, or Member of the State Assembly or allow the vacancies to be filled by appointment rather than election.

Background: In 2015, Riverside County was required to conduct a special election to fill a vacancy in State Senate District 23. The cost of the election was approximately \$340,000. In 2013, Riverside County was required to conduct a special election to fill a vacancy in State Senate District 40. The cost of the election was approximately \$200,000. Both of these elections were paid for from the general fund. The California Elections Code needs to be amended to either have the State reimburse counties for the cost of conducting special vacancy elections or allow the vacancies to be filled by appointment rather than election.

Emergency Medical Services Authority

Issue: County/EMS Agency Authority for Ambulance Transportation Services.

Action: Preserve County/EMS Agency authority to control EMS system. Support laws and regulations that would enhance County authority, increase funding for such oversight and oppose laws which would decrease County authority.

Background: The 1980 Emergency Medical Services Act provided for counties to establish the local emergency medical services agency to plan, implement, and evaluate local emergency services systems. Cities that operated emergency services prior to June 1980 were grandfathered into law. For well over a decade cities have gone before the Legislature to overturn SB125 and obtain authority to establish city managed ambulance service. In a lawsuit that went to the California Supreme Court, it was determined that cities and districts could continue services already provided, but could not expand the scope of services without county approval.

Although the 1997 Court decision in county of San Bernardino v. City of San Bernardino clarified the role of the counties in providing emergency medical services, the League of California Cities and others are still planning to sponsor new law(s), which would cede the counties authority, especially in respect to revising "governance" structures.

Counties maintain that ambulance service must be provided on a countywide basis to ensure that providing services even in remote areas of the county remains financially viable. Changing the system to jurisdiction by jurisdiction would mean that certain affluent areas would be cherry picked by cities leaving the less affluent areas to the county to provide coverage.

Local Solid Waste Diversion Mandate

Issue: California has adopted a Statewide 75% waste recycling goal for the year 2020 (AB 341). AB 341 included language saying the State “shall not establish or enforce a diversion rate on a city or county that is greater than the 50 percent diversion rate established pursuant to Section 41780” (from Section 41780.01 (b) of the Public Resources Code). Local jurisdictions are concerned that the 75% Statewide recycling goal might one day be a mandate for them before they are capable of complying with it.

Action: Support legislation that keeps the local diversion mandate of 50% in place until the recycling and composting infrastructure is more developed, additional tools are available to local governments to increase diversion, including recycling options (i.e., compost facilities, material recovery facilities, anaerobic digestion facilities, etc.), and the additional markets necessary to utilize the reclaimed resources are in place.

Background: Local jurisdictions in California are currently mandated to divert 50% of all solid waste from disposal in landfills. The language in Section 41780.01 (a) of the PRC regarding the 75% recycling goal reads as follows: “The Legislature hereby declares that it is the policy goal of the state that not less than 75 percent of solid waste generated be source reduced, recycled, or composted by the year 2020, and annually thereafter.” It is believed that forcing the diversion of solid waste that is “source reduced, recycled or composted” by an arbitrary deadline does not allow time for sustainable solutions to be developed. Additionally, foreclosing on the utilization of any diversion opportunities that might develop elsewhere, such as with conversion technologies, is short-sighted. Diverse strategies are needed to create additional tools for increased diversion and market development.

The local diversion mandate of 50% should remain in place until the recycling and composting infrastructure is more developed, additional tools are available to local governments to increase diversion, including recycling options (i.e., conversion technologies), and the additional markets necessary to utilize the reclaimed resources are in place.

Extended Producer Responsibility (EPR)

Issue: Extended Producer Responsibility (EPR) – Requires producers of good that contain materials requiring special handling (i.e. mercury, etc.), and are harmful to the environment, to be accountable for products during their lifespan (from “cradle to the grave”).

Action: Support legislation that places responsibility for product design, distribution for sale, and collection for recycling or disposal on the producer of said product and, thereby, relieves local jurisdictions from having to bear the cost of product collection for recycling and disposal programs.

Background: The California law that banned the landfill disposal of items commonly referred to as Universal Wastes that are considered harmful to the environment went into effect on February 8, 2006 (CCR, Title 22, Division 4.5, Chapter 23). Universal Wastes include household batteries, fluorescent light bulbs and tubes, thermostats and other items that contain mercury, and electronic devices such as video cassette recorders, microwave ovens, cellular and cordless phones, printers, computers and radios. Since that time, Sharps (needles) have also been banned from landfill disposal.

As a result of these unfunded mandates, local governments have had to develop new programs to handle the disposition of such wastes. The County of Riverside Waste Management Department collects and processes these waste items through its hazardous waste collection and landfill load check programs. The two programs cover the entire County and are funded with a combination of landfill fees and grant monies. The use of public monies for the final disposition of these hard-to handle products equates to subsidies in favor of the producers.

Extended Producer Responsibility makes the final handling of such products a cost of doing business for the producer, which more accurately reflects the true cost of the product. The costs are then incorporated in the purchase price and only borne by the user of the product rather than by all rate payers. Local governments (and the rate payer) will no longer have to fund costly programs for this purpose. By placing the life cycle burden on producers, better products are designed, which will reduce the toxicity of products, lessen the amount of packaging, and better plans for final disposition of the product (whether it be recycling or disposal).

The concept of extended producer responsibility has also been applied to products that do not necessarily fall into the categories above. For instance, the Governor signed bills from the 2010 legislative session into law that involved Extended Producer

Responsibility for paint and carpet. The paint program is already saving the County \$300,000 per year and has increased re-use of paint.

Development of Conversion Technologies

Issue: Conversion Technologies – Those technologies that process through thermal (without combustion), chemical or biological means the organic portion of municipal solid waste, that remains after recycling, into useable products such as electricity and fuel, and as a result decrease the amount of solid waste disposed in landfills.

Action: Support legislation that encourages the development of conversion technologies by removing legislative/regulatory barriers to them and by granting diversion credit on behalf of those jurisdictions that make use of them.

Background: The statewide level of recycling and composting in the State of California is estimated to be 65% (for 2009, per California Department of Resources Recycling and Recovery). Still, seventy (70%) to eighty (80%) percent of all refuse landfilled each year is characterized as biomass or organic. This material could be feedstock for a number of different technologies commonly known as conversion technologies: gasification, pyrolysis, anaerobic digestion, hydrolysis, distillation, plasma arc, and fermentation. Such facilities provide additional opportunities to keep recoverable materials out of the landfill.

There have been no conversion facilities developed in the United States. Part of the problem has been government regulations. In California, pyrolysis and distillation are considered forms of “Transformation” (which is considered disposal) and are limited in terms of how much of the processed material can count toward a jurisdiction’s diversion total. Feedstock sent to a transformation facility can count for no more than 10% of a jurisdiction’s 50% requirement. Conversion Technologies are expensive to develop and local governments will need a number of positive factors in their favor to justify their development. Generous credit toward a jurisdiction’s State mandated diversion requirement is one important factor. Conversion technologies do not incinerate the feedstock so they should not be considered transformation facilities.

It is widely accepted by stakeholders that jurisdictions should send feedstock to a conversion facility only after the waste stream has been subjected to recycling and other diversion programs (i.e., curbside recycling, Material Recovery Facility (MRF) processing, and commercial recycling, etc.). Though conversion facilities produce worthwhile products, including some technologies producing energy, the existing infrastructure is seen as getting recyclable materials to higher and more beneficial uses. Conversion technologies can make good use of solid waste materials that are not appropriate for these other diversion programs.

Numerous conversion technology facilities are in operation in Europe and Japan. There should be more than enough cases to review in making sure the technologies can meet California's stringent environmental regulations.

Development of Compost Facilities

Issue: Compost – The product resulting from the controlled biological decomposition of organic material (i.e. grasses, paper, food, etc.), which can enhance soils and decrease the amount of solid waste disposed in landfills.

Action: Support legislation that encourages the development of, and/or removes barriers to, compost facilities so jurisdictions have additional outlets (other than disposal) for organic materials and have an additional tool to increase their diversion rate.

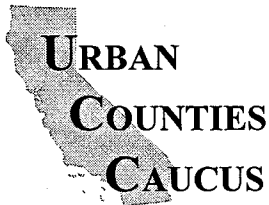
Background: A 2010 California Department of Resources Recycling and Recovery (CalRecycle) assessment of the State's Compost and Mulch-Producing infrastructure estimated that 9.3 million tons of compostable materials were processed into an estimated 13 million cubic yards of products in 2008. Even so, it is believed that approximately 30% of all materials disposed of annually in California landfills can be processed into compost or mulch.

Composting as an industry, and a waste management process, is not using more of the compostable material available because of the difficulty in establishing markets and the sometimes constraining impact of government regulations. In terms of marketing, the industry's rates have to be competitive with landfill rates in order to capture more feedstock. Products also have to meet the requirements of potential users and convince them that the application of compost will be of benefit to their soils (and crops), and that they are an adequate replacement for chemical fertilizers. Additional end markets benefit from the soils and at the same time allow facilities to move product so more organic materials can be accepted for processing.

Regulations can impair the use of additional compostable material at processing facilities. For instance, current regulations call for green material to have no more than 1.0% contaminants by weight. Material collected in curbside collection programs often times have a higher level of contaminants when delivered to facilities. Regulations can be changed to increase the level of contamination permissible in green waste received at processing sites and add a maximum contamination level for material leaving compost sites. The contaminant level for material leaving a facility would have to be consistent with standards for determining when it can be used, where it can be used, or when it is to be disposed. Another regulation related issue is that rules of multiple agencies can be redundant and/or inconsistent and cause uncertainty on the part of prospective operators. Efforts to clear up conflicting requirements among regulatory agencies can assist in the development of compost facilities and the industry.

Composting is very important to local communities. It is beneficial to the environment because it replenishes soils with needed nutrients. The amount of compostable material still available for processing underscores the importance of the industry in helping jurisdictions meet, and maintain, the required diversion level of 50%. Legislation that helps develop compost markets, eliminates barriers/obstacles to the industry, and enhances jurisdictions' ability to achieve/maintain a 50% diversion level must be supported by Riverside County.

ATTACHMENT A



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Urban Counties Caucus Legislative Policies* 2015

Governance and Finance

1. In order to fulfill the dual roles of agent of the state and local service provider, counties must have adequate authority, flexibility, and resources. Most importantly, counties must have stable sources of revenue that enable them to both implement state law and respond to essential local priorities.
2. UCC will oppose proposals that preempt county authority. This includes attempts to eliminate local control for land use and other siting decisions. (Added November 2006; Second sentence added in November 2013).
3. UCC will support proposals that provide constitutional protections and guaranteed funding to counties under realignment. UCC will oppose proposals to realign additional program responsibility to counties without adequate funding and protections. (Added November 2011).
4. UCC opposes any efforts to reduce funding to realignment without replacing it with an adequate and ongoing alternate funding source. (Added November 2012).
5. UCC opposes the suspension of Proposition 1A. (Added November 2012).
6. UCC will support legislation that enhances or maintains a county's revenue base and oppose measures that limit a county's revenue raising authority or reduce a county's revenue from any source without a commensurate reduction in responsibility. (Revised November 1995)
7. UCC will oppose formulas that discriminate against urban areas, such as by providing a high minimum funding floor to low population states and localities and not taking into account the higher cost of living, land costs, and risk factors in urban areas. (Revised in 2006).
8. UCC will oppose the shift of any additional property taxes, since this is a local tax, support the return to counties of property taxes that were transferred to schools, support measures that would enhance counties' efforts to administer the property tax system, and oppose those that increase counties' unfunded responsibility for the system. (Amended first sentence in November 2013).
9. UCC will oppose proposals that continue or increase county responsibilities or expenses without a viable and adequate source of state or federal revenue.
10. UCC will oppose legislation that requires a new program, higher level of service, expanded employee benefits, or other cost imposed upon counties by the State without adequate

ongoing funding. Further, UCC believes that counties should be reimbursed promptly and by a date certain for mandates imposed by the state. Finally, because suspended mandates create liability and fiscal issues for counties, mandates should be repealed, not suspended. UCC will oppose any future efforts to eliminate the reimbursement for mandates required to be provided by counties. (1995 Policies; Last sentence added in November 2013).

11. UCC will support proposals that increase a board's ability to raise local revenues. (1995 Policies)
12. UCC will support measures that maximize federal revenues.
13. UCC will support measures that reduce maintenance of effort or participation fee requirements and will oppose measures that impose additional maintenance of effort requirements on counties unless they are at least revenue neutral. (1995 Policies)
14. UCC will support measures that increase a county's flexibility to administer federal, state, or local programs. For example, UCC will support legislation that provides counties with the necessary authority to establish and manage local programs such as code enforcement of illegal dumping and littering laws. (1995 Policies; Revised November 2006, added second sentence)
15. UCC will oppose measures that limit a county's ability to operate in a reasonable and cost effective manner. (1995 Policies)
16. UCC will support proposals that eliminate unnecessary, redundant, or overlapping requirements for program eligibility, funding, maintenance of effort, monitoring, permitting or reporting. (1995 Policies)
17. UCC will support the equitable application of existing tax policies to ensure taxpayer compliance and dependable revenues.
18. UCC will support periodic evaluation of the economic benefit and equitable application of all tax expenditures.
19. UCC will support measures that enable counties to better exercise their responsibility to plan for, respond to, and receive reimbursement and property tax relief for emergencies and disasters. (Added November 2006)
20. UCC will support pension reform proposals that achieve the objectives of financial sustainability for county budgets and the county's ability to maintain service levels. (Added November 2006; Revised November 2014).
21. UCC will support efforts to educate the public and the legislature on public compensation and the services provided by counties. (Added in November 2010; Edited in November 2011; Edited in November 2014).
22. UCC will oppose measures that restrict county flexibility in the operation of employee relations. (Added in November 2011).

23. UCC will oppose measures that would have a negative fiscal impact on the worker's compensation system and support measures that reform and streamline the system. (Added November 2012).

Health and Human Services

1. UCC will support legislation that enhances the local safety net and its multiple components including mental health, public health, and the numerous human services that counties provide on behalf of the State and will support proposals that promote dependable, long-term funding for these services.
2. UCC will support proposals that maximize eligibility for Federal and State-funded programs. UCC will oppose proposals that diminish funding to counties. (Added November 2006; Second sentence added in November 2011).
3. UCC will support proposals that reduce the number of uninsured persons, or expand Medi-Cal coverage to low-income persons.
4. UCC will support proposals to simplify and align Medi-Cal eligibility rules and application processes to increase and expedite the enrollment of uninsured families.
5. UCC will support proposals that increase net Medicaid/Medi-Cal payments to government providers while opposing proposals that reduce such payments. (Revised November 2006)
6. UCC will support proposals that use intergovernmental transfers (IGTs), health provider fees, certified public expenditures (CPEs), and other allowable methods to increase net Federal Medicaid and SCHIP matching payments to California and its health providers at no cost to the State General Fund.
7. UCC will support the use of State capital improvement funds, currently limited to hospitals, for the construction of clinics and other public health facilities and support assistance to hospitals that enables them to meet seismic safety requirements.
8. UCC will support measures and funding that strengthen the ability of the public health system to respond to chemical, biological, and other forms of terrorism.
9. UCC will support the provision of federal matching funds for child support performance incentive payments used for child support enforcement. (Edited November 2010; Edited November 2014).
10. UCC supports a system of services for adolescents with drug or alcohol problems and provide adequate funding to operate such a system.
11. UCC supports continued and improved funding for substance abuse treatment and mental health services including those that provide alternatives to incarceration.

12. UCC will support a State backfill of any reduction in Federal financial participation in Federal programs, such as child support enforcement, Medicaid, and Temporary Assistance for Needy Families (TANF). (Added November 2006)
13. UCC will support proposals to hold counties harmless from fiscal penalties when the Federal or State governments do not provide additional funding commensurate with the cost of meeting new requirements or performance measures. (Added November 2006).
14. UCC supports federal funding for the 211 phone system and also supports the implementation of statewide coverage of the 211 system.
15. UCC supports Laura's Law as long as there is adequate funding and flexibility provided to counties that implement the program. (Added November 2012).

Housing, Land Use and Transportation (Section Added in November 2011)

1. UCC will support measures that provide funding for local infrastructure. (Moved to HLT Section in November 2011).
2. UCC will support measures that provide additional funding, resources, and flexibility to address the affordable housing needs in our counties. (Added November 2013, moved up from #9 in November 2014).
3. UCC will support proposals that eliminate or revise unnecessary, redundant, or overlapping requirements for land use, planning, and permitting. This includes efforts to improve the CEQA process and requirements where appropriate including the preparation of master environmental documents and the use of tiered EIRs and negative declarations while maintaining county land use decision-making authority. (Moved to HLT Section in November 2011).
4. UCC supports maintaining a county's flexibility to use eminent domain for public projects. (Added November 2006; Moved to HLT Section in November 2011).
5. UCC will monitor activities related to tribal gaming and other tribal enterprises in urban areas with the goal that any tribal compacts include provisions that address county concerns including off-reservation impacts and the ability of counties to meet their governmental responsibilities. Any proposal to place land in trust for a tribe should require the approval of the county within which the land is located. (Added November 2006; Moved to HLT Section in November 2011).
6. UCC will support proposals that maintain the same level of funding for bridges as in previous years and opposes any formula that would discriminate against urban counties. (Added November 2012).
7. UCC will support efforts to provide new tools for economic development contingent on new funding sources that have been approved by the affected tax entities. (Added November 2012).

8. UCC will support measures that use Cap and Trade auction revenues to fund local infrastructure projects consistent with AB 32 objectives and builds on the framework of SB 375. (Added November 2012; Edited November 2014).
9. UCC will oppose efforts to eliminate or restrict the ability of counties to regulate land use including the siting of projects or facilities. (Added November 2013).
10. UCC will oppose proposals that would increase or add to our responsibilities under the Regional Housing Needs Assessment (RHNA) without adequate funding. (Added November 2013).
11. UCC will support efforts to update the Cortese-Knox-Hertzberg Act to provide more clarification related to disincorporations and the potential impact on counties. (Added November 2013).
12. **UCC will oppose any regulatory framework for medical marijuana that would place new mandates on any county department or function. Instead, UCC supports a regulatory framework operated by the state which may include some county role as long as there is funding for any new responsibility. UCC supports local land use control for the siting of medical marijuana dispensaries and will oppose any legislation that will remove that authority.** (Added November 2014; Adopted by Board in April 2014).

Justice

1. Counties administer the justice system including law enforcement, jails, district attorney, public defender, and probation, and the larger counties still make maintenance of effort payments towards support of court operations. UCC will support increases in funding for justice facilities and the operational costs of the justice system.
2. UCC opposes any shift of responsibility from the state to counties' operations and court facilities.
3. UCC supports the elimination or reduction of the Maintenance of Effort requirements for urban counties related to the courts.
4. UCC will support proposals that ensure county justice agencies that interact with the courts have appropriate access to new or upgraded court computer systems at no additional cost to the county.
5. UCC will support proposals that maximize the pass-through of Federal homeland security assistance from the State to counties based on their potential terrorist threat and risk levels and responsibilities for emergency preparedness and response, law enforcement, first response, public health, and emergency medical services. (Revised November 2006).
6. UCC will oppose any new proposals that would shift the responsibility of additional parolees from the state to the counties without adequate notification, documentation and funding. (Added in November 2010).
7. UCC will support stable funding for front-line law enforcement including juvenile justice crime prevention, juvenile camps and parole, adult probation, and adequate facilities to house prisoners. (Added November 2011).

8. UCC will support proposals that will help counties implement the 2011 Public Safety Realignment as long as the proposal would: provide for county flexibility, eliminate redundant or unnecessary reporting, and would not transfer more responsibility without funding. (Added November 2011).
9. UCC will support efforts to combat the negative impact that human trafficking and sex trafficking has on victims in our communities, including the impact that this activity has on a range of county services and supports. UCC also supports proposals that provide additional tools, resources and funding to help counties address this growing problem. (Added November 2013).



California State Association of Counties

(As adopted by the CSAC Executive Committee)

CSAC 2015 STATE ADVOCACY PRIORITIES

California counties remain focused on implementing numerous significant reforms involving fundamental shifts of responsibilities in the public safety and health arenas that require flexible and efficient solutions. While economic recovery in California has remained steady, it has been modest and inconsistent throughout our 58 counties. Further, income growth has not been uniform across our communities, thus placing further challenges on counties tasked with providing public services to those in need. With the goal of ensuring that all counties succeed, CSAC is leading efforts to ensure that counties can effectively manage new responsibilities and meet service demands in an ever-changing environment. From working to protect existing revenues and avoiding new costs to encouraging innovation and collaborative problem solving, CSAC remains at the forefront of significant statewide issues, fighting for counties and the Californians we serve.

The 2015 CSAC State Legislative Priorities reflect an ongoing commitment to successful implementation of 2011 realignment and implementation of the Affordable Care Act, as well as seeking resources to address infrastructure deficiencies from transportation to water systems. The chart below outlines areas of opportunity to retain and secure financial resources for counties. Additionally, CSAC will advance county interests within a diverse array of key county issues.

Protecting Vital County Resources

Every day, year after year, CSAC works to protect billions of dollars in financial resources that support locally delivered services. For 2015, the priority funding areas below will serve as the focus of CSAC's advocacy efforts. While other funding sources also require ongoing, permanent vigilance, the list below represents policy areas where CSAC will lead the charge to protect existing resources and secure new or renewed funding for California counties. Brief descriptions of many issues can be found in the pages that follow.

2011 Realignment <i>Ensure proper distribution of 2011 realignment, including the \$1 billion AB 109 allocation and allocation of mental health funds</i>	\$6B
AB 85/Affordable Care Act Implementation <i>Ensure proper distribution of 1991 realignment funds, including retaining funds for public health and returning savings associated with indigent health</i>	\$1.3B
Cap and trade funds <i>Secure additional funding for local government GHG reduction projects and protect funding for affordable housing and sustainable communities</i>	\$0.5B - \$1B
Dept of Fish and Game Payment In-Lieu of Taxes (PILT)	\$18M

<i>Includes payment of past due monies owed to counties since 2002-03</i>	
Water Bond <i>Influence water bond allocation and guideline development for local government access to funding for groundwater implementation, stormwater and flood control programs, regional planning funds and clean drinking water programs</i>	\$2B
Court security funding <i>Maintain recent increases and secure new resources for new facilities</i>	\$2M - \$5M
Mentally Ill Offender Crime Reduction grants (MIOCR) <i>Increase grants for juvenile and adult offenders' mental health services</i>	\$100M
Medi-Cal Administration <i>Protect existing and seek new funding for county outreach, eligibility, and enrollment</i>	\$500M
In-Home Supportive Services (IHSS) Maintenance of Effort <i>Monitor the mechanics of the 2012 IHSS MOE deal</i>	\$1B
Property tax allocation issues <i>Secure continued funding for counties with insufficient ERAF</i>	\$5M
Mandate backlog <i>Secure further repayment of debts for pre-2004 and suspended mandates</i>	\$1.9B
Transportation Funding <i>Ensure existing gas tax revenues are accurately allocated and secure additional transportation revenues for local streets and roads</i>	\$800M - \$1.2B
Special Distribution Fund <i>Secure funding to mitigate gaming impacts on government services</i>	\$9M
TOTAL	\$13B

2015 Legislative Priorities

Budget Priorities

Pre-2004 Mandate Repayment. CSAC will continue to support the Administration's commitment to paying down the Wall of Debt mandates and urge the Governor to continue to make the full repayment a priority. Should current year revenues not be sufficient to complete the remaining \$800 million in reimbursements owed to local agencies, we request that the Administration continue to pay down this debt, either through direct appropriation or via the Rainy Day Fund reserve.

Payment-in-lieu of Taxes (PILT). CSAC will advocate for approximately \$18 million in PILT owed counties dating back to FY 2002-03. The law clearly indicates that the state owes counties for the loss of local property taxes resulting from the state taking ownership of private lands. PILT funds are discretionary dollars to local governments and remain critical to some of the smallest counties. The non-payment of PILT by the state has a direct impact on local general funds and the ability to provide services, many state mandated.

Recidivism Reduction Grants / Behavioral Health Interventions. CSAC will advocate for \$100 million in additional resources for the Mentally Ill Offender Crime Reduction (MIOCR) program to assist with mental health services for both the juvenile and adult criminal justice populations.

Medi-Cal County Administrative Costs. CSAC will seek an additional \$100-150 million (split between state and federal funds) for county administration of Medi-Cal in the current year. We continue to develop an estimate for the budget year based on the work counties are required to perform, what counties can reasonably expect to spend, and what appears reasonable to the Administration.

Administration of Justice

2011 Public Safety Realignment. CSAC will continue to actively work in collaboration with the Administration, Legislature, and key public safety stakeholders in addressing public safety realignment implementation issues, primarily related to sentencing changes associated with AB 109. In 2015, CSAC's primary areas of focus will be the long-term impacts associated broadly with county liability, long-term jail offenders, and better managing of behavioral health concerns of the court-involved population. Specifically, CSAC will continue to advocate for a hard cap on felony jail terms, seek – in collaboration with the state – potential remedies and mutually beneficial behavioral health responses and strategies, and promote additional investment of \$100 million in the Mentally Ill Crime Reduction Grant Program. Our ongoing commitment to a robust realignment-related training and education program will continue.

Supplemental court security funding (new court facilities). In follow up to last year's success in securing both funding and a process by which counties can seek supplemental court security funding associated with the activation of a new court facility, CSAC – in collaboration with the California State Sheriffs' Association – will advocate for sustained baseline funding for those counties awarded resources in 2014-15, work to identify potential future needs, and undertake individual county outreach where needed. In 2015-16, the funding level for the supplemental court security line item must be calibrated to cover ongoing approved county costs from the current year along with an estimate of the potential new costs in the budget year. In addition, CSAC is requesting elimination of the per-deputy funding cap.

Criminal Justice/Affordable Care Act Intersection. The CSAC Administration of Justice and Health and Human Service Policy Committees continue to work collaboratively to promote best practices and encourage maximum participation associated with new opportunities for the court-involved population under the Affordable Care Act. As part of these efforts, CSAC is requesting a statutory change that would expressly grant counties the authority to claim federal financial participation for Medi-Cal eligible inmates who have 24+ hour stays at a hospital if the services delivered are for mental health or psychiatry. Those costs are allowable for the juvenile population. It is our understanding that DHCS indicated its intent to permit claiming only for health (and not mental health) services. We continue to work with the Administration to secure finalized and streamlined claiming protocols as soon as is practical.

Reinvestment in the Juvenile System. CSAC will partner with the Chief Probation Officers of California to refocus interest in the juvenile justice system, specifically related to smart and targeted prevention and intervention efforts aimed at preventing deeper downstream involvement in the criminal justice system. This initiative will encompass a commitment of time and resources to exploring counties' gang violence intervention and prevention efforts and well as broad-based framing of issues to help refocus interest and resources on a vital component of the

criminal justice system that largely has been overlooked during the intensive triage period following the October 2011 implementation of public safety realignment.

Proposition 47. CSAC anticipates criminal justice system disruption associated with the implementation of the new sentencing structure imposed by Proposition 47, approved by voters in November 2014. To assess impacts and ensure that counties are well positioned to benefit from allocation of any state savings anticipated in 2016-17, CSAC will work closely with counties, our criminal justice system partners, the Administration, Legislature, the California Department of Corrections and Rehabilitation (CDCR), and other key stakeholders in assessing specific operational and fiscal impacts.

Agriculture, Environment and Natural Resources

Groundwater Legislation Clean-up & Implementation. CSAC will work closely with counties, the Administration and the Legislature regarding needed changes to the new groundwater sustainability laws that will facilitate county implementation without threatening the intent of groundwater sustainability. CSAC serves as the county representative contact at the Administration's regular meetings on the groundwater legislation implementation. CSAC is also organizing several educational forums in 2015 for county officials on the groundwater legislation.

Stormwater Funding. Counties are having difficulty raising revenue to support flood protection infrastructure upgrades and maintenance and compliance with new water quality requirements because of the vote threshold requirements under Proposition 218. CSAC, in collaboration with other public and private stakeholders, will support legislation that would amend Article XIII D, section 6(c) of the California Constitution (Proposition 218) to expand its exemption from the majority-property-owner or 2/3-registered-voter election requirement from "fees or charges for sewer, water, and refuse collection services" to "fees or charges for storm water and flood control, sewer, water, and refuse collection services".

Water Bond Implementation. Proposition 1 (Prop 1), the \$7.5 billion Water Bond was approved by California voters on Nov. 4, 2014. Prop 1 will fund investments in water projects and programs as part of a statewide, comprehensive water plan for California. The ultimate value and effectiveness of the bond will depend on how it is implemented and how the funds are spent. CSAC will work with the Legislature and Administration on the implementation of Prop 1 and guideline development with a specific focus on groundwater management funding, clean drinking water funding, stormwater and flood control programs and Integrated Regional Water Management Planning funds, among other items.

Marijuana Regulation. Similar to last year, the California Police Chiefs Association and the California Cannabis Industry Association are planning to sponsor separate pieces of legislation that would, in differing ways, establish a statewide regulatory framework for the cultivation, processing, transportation, testing, recommendation and sale of medical marijuana. As directed by CSAC policy on medical marijuana, CSAC will continue to advocate for strong local control and environmental protections in the legislation relative to cultivation activities and dispensary operations. In addition, CSAC will continue to oppose proposed requirements that would impose unreasonable enforcement responsibilities onto counties.

Rural Counties Initiative & PILT. CSAC will continue to advocate for a restoration of funds for Payments in Lieu of Taxes (PILT). Additionally, CSAC will advocate for a Rural Infrastructure Program to provide additional funding to California's smallest counties for critical infrastructure investments that ensure the health and safety of California's unique, rural communities. Furthermore, CSAC will continue to advocate for programs of particular importance to rural areas, including farmland and open space preservation and county fairs.

Cap and Trade. The Legislature approved and the Governor signed California's first Cap and Trade Expenditure plan this year, totaling \$872 million in investments to reduce Greenhouse Gas (GHG) emissions in California. In addition, the budget created a framework for how the Legislature will allocate future Cap and Trade auction revenues with 60% of all futures funds dedicated to continuous appropriations for a variety of different program areas (see Housing, Land Use & Transportation section for additional details). However, 40% of Cap and Trade funds have been secured for natural resource investments in future budget years, upon annual appropriation of the Legislature. CSAC will continue to advocate for local government eligibility for these funds, with a focus on programs in the waste management, energy and water resources sectors.

Employee Relations

Pensions. CSAC will participate in a discussion with other public agency stakeholders, the California Public Employees' Retirement System (CalPERS), the Administration and the Department of Finance regarding what should be considered compensation when computing retirement benefits. Since its passage in 2012, the Public Employees' Pension Reform Act (PEPRA) has necessitated cleanup language, including what can be classified as pensionable compensation. CSAC will advocate for maximum flexibility, while maintaining the need for fiscal prudence at both the local and state levels.

CSAC will lead the effort to ensure additional PEPRA cleanup is held as a priority by CalPERS and the Administration, specifically the exemption for public retirees to serve in a locally elected capacity without being forced to reinstate or waive their access to retirement benefits.

Workers' Compensation. CSAC will be active in strongly opposing further efforts by labor organizations to increase such benefits at the cost of public employers.

Open Meetings and Public Records Act. CSAC will join other public agency advocates in ensuring access to open government remains without imposing greater costs to our public agencies.

Collective Bargaining. As is the case each legislative session, labor organizations will undoubtedly attempt to modify the Meyers-Milias Brown Act (MMBA) to make it more difficult for public agencies to balance fair benefits with budgetary needs at the collective bargaining table. CSAC will maintain its strong opposition to any change to MMBA that would provide an unfair advantage to employee organizations.

Government Finance and Operations

Municipal Bankruptcy. The Great Recession has regrettably been marked by three significant municipal bankruptcies in California; the Cities of Vallejo, Stockton, and San Bernardino are going through or have completed the Chapter 9 bankruptcy process in federal court. Stockton's case, however, has brought with it significant implications for other local agencies that find themselves in fiscal crisis. In October, a federal bankruptcy judge ruled that payments to CalPERS (Stockton's pension system) could be reduced by the court.

While Stockton's bankruptcy plan does not include reduced payments to CalPERS, it is likely that the Legislature will view this ruling – the first of its kind in California – as one that poses significant financial risk to CalPERS and its members. CSAC successfully negotiated resolution on the last bill that sought to limit local agencies' access to federal bankruptcy by requiring a neutral mediation process prior to filing (or declaration of a fiscal emergency); however, it is likely that the Legislature will seek to revisit this issue in the coming session.

While legislators have discussed municipal bankruptcy in the past, this new issue brings with it an additional policy consideration: the safety of public employees' retirement provided by CalPERS. We don't yet know where legislative leaders or the Governor will land with regards to an appropriate remedy.

Vote Thresholds for Locally-Approved Taxes. CSAC has long-supported greater revenue raising authority at the local level and will support legislative constitutional amendments to reduce vote thresholds for local taxes. Depending on the outcome of the November election, the Legislature may seriously consider a number of measures that reduce voter approval requirements for a variety of specific purposes; as such a change requires a constitutional amendment, the challenge ahead is to determine the approach that has the best chance for voter support.

Redevelopment Dissolution. Counties remain critical players in the ongoing dissolution of community redevelopment agencies. CSAC is committed to assisting counties in their multiple roles as successor agency, oversight board participants, and tax administrators to ensure consistent and timely communication and coordination among the county, local stakeholders, and the state. Further, CSAC will continue to advocate against unnecessary changes to the current dissolution process in order to ensure that former tax increment revenues flow back to affected taxing entities and that former redevelopment agencies wind down in an expeditious manner. Based on the Governor's veto messages on several bills dealing with redevelopment, the Administration will be taking a leadership role with interested legislators in crafting future solutions.

Mandates. The current process for identifying reimbursable mandates and securing payments owed to local agencies for mandated programs and services is arcane and oftentimes biased against local agencies. While the state is making progress on paying down the debt associated with pre-2004 mandate reimbursements, CSAC will continue to advocate for additional funding to ensure that debt is resolved, as well as future reforms to ensure a more equitable mandate reimbursement process.

Health and Human Services

Renewal of California's Federal Medicaid Section 1115 Waiver. With California's current federal Medicaid Section 1115 Waiver ending in October 2015, the Department of Health Care Services will be submitting their proposal for the subsequent waiver in early 2015. CSAC will remain engaged in the stakeholder processes and will be advocating for another five-year waiver that provides at least the same level of funding for county safety-net providers as the current waiver. The waiver concept paper released by the Administration included a proposal to seek federal approval to fund "shelter," or housing, using Medicaid funds. In collaboration with our county partners, CSAC will advocate for federal funding to test county whole person care pilot programs that aim to integrate health, behavioral health and social services that may include utilizing funding for housing and shelter services.

Drug Medi-Cal Organized Delivery System Waiver. The Department of Health Care Services plans to request a waiver amendment to California's current Section 1115 waiver to operate the Drug Medi-Cal (DMC) program as a county opt-in organized delivery system. Counties choosing to participate would act as specialty health plans for the delivery of substance use disorder treatment, similar to the existing delivery of specialty mental health services at the county level.

CSAC will be advocating for the waiver amendment to include the flexibility to test pilots allowing some counties to assume the role of the specialty health plan, to make integration as seamless as possible, and considerations for rural counties.

The Administration has yet to finalize the financing considerations. They have proposed creating a county-specific sharing ratio based on history and future projections. CSAC will remain engaged in the development of the financing mechanism as it evolves.

Connecting Jail and Health and Human Services. CSAC will continue to seek partnership opportunities with the Department of Health Care services, the Department of Social Services, private foundations and other stakeholders on enrollment, eligibility, quality and improving outcomes for the court-involved population. CSAC will seek opportunities to obtain funds for inpatient hospitalizations, including psychiatric hospitalizations, for adults and juveniles while incarcerated. CSAC will also seek opportunities to connect the court-involved population to social services that will improve outcomes and reduce recidivism.

AB 85 Formulas. CSAC will continue to engage the Administration and monitor the integrity of the mechanics associated with the diversion of the 1991 Health Realignment funds under AB 85.

Poverty. California's poverty rate continues rank amongst highest in the nation. Poverty undermines the success of our programs and the families we serve. It is anticipated that several bills and issues related to poverty will be introduced in the upcoming legislative session. CSAC will convene a workgroup to establish policies to address poverty and homelessness at the county level.

Congregate Care Reform. CSAC will continue to engage the Department of Social Services as their proposal to redesign the foster care agency and group home system moves forward. Counties are especially interested in potential fiscal impacts and retaining the flexibility to ensure the best placement option for each child in the foster care system.

Eliminating EBT Fees. CSAC has joined a coalition to advocate for a reduction in the amount of bank fees that CalWORKs and CalFresh recipients pay through the use of the Electronic Benefit Transfer (EBT) system California families that qualify for and receive public assistance on Electronic Benefit Transfer (EBT) cards currently pay about \$19 million a year from their grant amounts to withdraw cash from ATMs or check their account balances.

Housing, Land Use and Transportation

New Revenue for Transportation Infrastructure. CSAC will continue to work with a coalition of transportation stakeholders to identify and evaluate viable new revenue options to replace and/or augment the gasoline excise tax (gas tax) for transportation infrastructure investments. The local street and road system is facing a more than \$7 billion annual shortfall for the maintenance and preservation of the existing system, let alone other critical modes of transportation. Mileage-based road user charges seem to be gaining traction as a potential replacement revenue source. Accordingly, CSAC will participate in the California Transportation Commission's Road User Charge (RUC) Technical Advisory Committee (TAC) to inform the development of a vehicle miles traveled based demonstration project in California.

Even if the state moves to replace the gasoline excise tax with a RUC, implementation will take many years. CSAC will also explore interim revenue options to bridge the funding gap in the short-term. This will include options such as securing the near-term repayment of approximately \$1.2 billion in existing transportation loans, returning truck weight fees back to transportation (\$950 million is currently being diverted to pay transportation related general fund bond debt service), identifying a replacement revenue source to pay existing and future transportation bond debt service, new transportation infrastructure bonds, and reducing the voter threshold for local transportation sales tax measures (estimated to potentially generate over \$300 million annually for local transportation priorities). Additionally, CSAC will continue to work with stakeholders to sunset the existing diversion of \$128 million in annual Highway User tax Account (HUTA) revenue to the general fund. Staff will also continue to monitor gas tax subventions to counties to ensure counties receive accurate levels of funding.

Permanent Source for Affordable Housing. Safe, decent and affordable housing is the foundation of healthy and sustainable communities. The Department of Housing and Community Development (HCD) reports that 1 million Californians lack access to affordable housing, that 2 in 3 renters are overpaying, and that 1 in 5 renters have overcrowded households. The Affordable Housing and Sustainable Communities (AHSC) Program provides an opportunity to invest new revenues into building affordable housing in the state but a more flexible permanent source of funding, not limited to GHG-related funds, is also needed. CSAC will support efforts to create a permanent source for affordable housing.

CSAC will continue regular conversations with the department to ensure state oversight of local planning activities is commensurate with statutory authority. The challenge of affordable housing requires a proactive partnership between counties, cities and the state. CSAC staff will work to develop new relationships and find ways to partner together to incentivize and encourage planning for affordable housing in California.

Cap and Trade Implementation. A significant majority of cap and trade auction revenues were continuously appropriated in the FY 2014-15 state budget, including 20-percent of all future cap and trade auction proceeds for affordable housing and sustainable communities. With the fuels coming under the cap in 2015, auction revenues are expected to grow significantly into the future. CSAC will continue to work with the Strategic Growth Council (charged with implementing the AHSC program) and other state agencies and departments to ensure all counties are eligible to apply for grants and loans under the program and that eligible projects include improvements to the local street and road network that have greenhouse gas (GHG) emissions reductions benefits and provide the right-of-way for active transportation and mass transit.

Sixty-percent of all cap and trade auction proceeds have been budgeted on an on-going basis. The other 40-percent of revenues were allocated on a one-time basis in FY 2014-15 for energy, water and natural resource programs and projects. This puts the appropriation of 40-percent of cap and trade revenues squarely in the middle of budget negotiations between the Administration and Legislature on an annual basis.

Tribal and Intergovernmental Affairs. CSAC will proactively engage with the Administration and Legislature to influence the renegotiation of 1999 Tribal-State Gaming Compacts which are set to expire in 2019. CSAC's priorities for the revised compacts include requiring judicially enforceable local mitigation agreements for any new or expanded gaming or related facilities, a more robust tribal environmental review process with state oversight to ensure adequacy of environmental documents, and ensuring robust mitigation mechanisms for preexisting local off-reservation impacts from gaming enterprises underway prior to date of any new compacts.

The Special Distribution Fund (SDF), the sole mechanism for mitigation of local impacts under the 1999 compacts, is insolvent. Starting in FY 2014-15, counties will no longer receive SDF grants unless the Legislature and Governor backfill the account or gaming revenues paid into the account increase. CSAC will seek a \$9 million appropriation to fund the SDF grants to counties until Tribal-State Gaming Compacts are renegotiated to replace the SDF with local agreements.