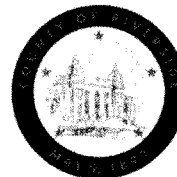


SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM
2.8
(ID # 6853)

MEETING DATE:

Tuesday, April 24, 2018

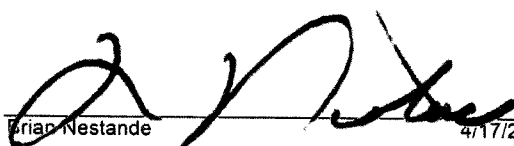
FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Letters Sent to Riverside County's Legislative Delegation
and Pertinent Parties from April 2, 2018-April 16, 2018. All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the Legislative letters sent from April 2, 2018 – April 16, 2018.


ACTION: Consent


Brian Nestande 4/17/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Perez and duly carried by unanimous vote, IT WAS ORDERED that the above matter is received and filed as recommended.

Ayes: Jeffries, Tavaglione, Washington, Perez and Ashley
Nays: None
Absent: None
Date: April 24, 2018
xc: EO

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$0	\$0	\$0	\$0
NET COUNTY COST	\$0	\$0	\$0	\$0
SOURCE OF FUNDS:			Budget Adjustment:	
			For Fiscal Year:	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

As per Board Policy A-27, the purpose of Riverside County's Legislative Program is to secure legislation that benefits the county and its residents, and to oppose/amend legislation that might adversely affect the County. Recognizing the need for consistency in conveying official positions on legislative matters, the county has instituted a coordinated process involving interaction between the Board of Supervisors, the County Executive Office, County agencies/departments, and the County's legislative advocates in Sacramento and Washington, D.C.

The Executive Office shall include a copy of the written correspondence that is not based on a specific Board vote as a consent item on the next Board agenda.

Summary

Since the last meeting of the Riverside County Board of Supervisors, the following letters were delivered to our legislative delegation and all pertinent parties in order to voice Riverside County's Support/Opposition:

Legislation/Policy: SCR 90 Joseph Tavaglione Interchange

Position: Support

Recipient: The Honorable Richard Roth

Summary: Riverside County has benefitted from Mr. Tavaglione's service on the board of the California Transportation Commission for the past 16 years. He has been pivotal to many critical transportation projects in Riverside County, including the 60/91/215 interchange, which makes the designation of that interchange as the Joseph Tavaglione Interchange so necessary and fitting.

Legislation/Policy: State Supplementation for County Assessors' Offices

Position: Support

Recipient: The Honorable Jim Cooper & Richard Roth

Summary: The Governor's budget proposal would provide funding to county assessors' office to assist in the maintenance and equalization of property tax rolls. Much like previous efforts to provide such funding to county assessors, the Administration's proposal offers \$5 million annually for three years to assist county assessors in enhancing specified activities in

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

administration of the property tax roll, including assessing and enrolling new construction, reassessments, and processing supplemental assessments, among other activities.

Legislation/Policy: Funding for Voting System Replacement

Position: Support

Recipient: The Honorable Jim Cooper & Richard Roth

Summary: The Governor's budget proposal would provide funding to assist counties in replacing voting systems and associated technology. The \$134.3 million proposed in the Governor's budget will match local investment in much-needed upgrades to county voting systems, providing an opportunity to improve voter participation and outreach across the state.

Legislation/Policy: AB 1952 (Mayes): Envision a Hunger Free California Act of 2018

Position: Support

Recipient: The Honorable Chad Mayes

Summary: AB 1952 establishes a workgroup responsible for drafting broad-based plan for a hunger free California. Specifically, it creates a process to bring together food system stakeholders to engage and collaborate at the local, regional and state levels to remove barriers to adequate, nutritious food choices and ensure that a vibrant and sustainable food system is available across all communities statewide.

Legislation/Policy: Budget Item 4440 – Incompetent to Stand Trial

Position: Support

Recipient: The Honorable Richard Pan & Joaquin Arambula

Summary: As the Governor's proposed budget acknowledges, there are a number of challenges associated with managing the IST population. Given the expanding waitlist at the Department of State Hospital (DSH), individuals who have been deemed IST languish in local detention where their condition often deteriorates. The Administration and Legislature have taken a number of steps in recent years to relieve the long and growing DSH waitlist – including efforts to expand capacity, but the number of referrals to DSH continues to outpace available placements. The Governor's budget proposes to invest \$100 million over three years to support county diversion programs in those jurisdictions with the highest number of IST referrals to DSH; the County of Riverside is among those counties.

Legislation/Policy: Assembly Bill 2571 (Gonzalez Fletcher). Public employee retirement systems: investments: race and gender pay equity.

Position: Oppose

Recipient: The Honorable Lorena Gonzalez Fletcher

Summary: While the County recognizes the intent of the measure, unfortunately, the bill would restrict investments and conflict with the fiduciary responsibility of retirement fund administrators. Specifically, our opposition is based on the possible financial consequences that would negatively impact the overall health of a public employee retirement fund. This is entirely unrelated to the type of investment but rather is solely focused potential financial outcomes it

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

could create. Divestment policies or restrictions on future investments such as those proposed in AB 2571 pose harm to investment performance which, in turn, may result in either increased employer contributions, increased employee contributions, a reduction of other benefit offerings, or all three.

ATTACHMENTS:

- SCR Tavaglione Interchange Letter
- State Supplementation for County Assessors' Offices Letter
- Funding for Voting System Replacement Letter
- AB 1952 (Mayes): Envision a Hunger Free California Act of 2018 Letter
- Budget Item 4440 – Incompetent to Stand Trial Letter
- AB 1952 (Mayes) Bill
- AB 2571 (Gonzalez-Fletcher) Public Employees Retirement System Letter
- AB 2571 (Gonzalez-Fletcher) Bill

COUNTY OF RIVERSIDE



Board of Supervisors

District 1	Kevin Jeffries 951-955-1010
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District 4	V. Manuel Perez 951-955-1040
District 5	Marion Ashley 951-955-1050

April 2, 2018

The Honorable Richard Roth
California State Senate
State Capitol, Room 4034
Sacramento, CA 95814

Re: SCR 90 Joseph Tavaglione Interchange - SUPPORT

Dear Senator Roth:

On behalf of the Riverside County Board of Supervisors, I write to express our support for SCR 90 that will designate the 60/91/215 interchange as the Joseph Tavaglione Interchange.

Riverside County, the larger Inland Empire region, and the entire state of California have benefitted from the knowledge, devotion, and tenacity of Mr. Tavaglione for decades. It would be difficult, if not impossible, to find a more dedicated individual who has remained in the community in which he was raised and who has committed so much of his time and resources to giving back to his community. Mr. Tavaglione is one of California's most respected advocates for transportation infrastructure investment. He serves all Californians by carrying out his duties with humility and dignity, providing a steady and level-headed brand of leadership. He is a source of counsel and wisdom sought by transportation leaders at all levels of government and in the private sector.

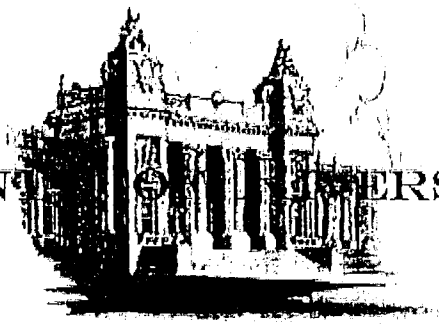
Riverside County has benefitted from Mr. Tavaglione's service on the board of the California Transportation Commission for the past 16 years. He has been pivotal to many critical transportation projects in Riverside County, including the 60/91/215 interchange, which makes the designation of that interchange as the Joseph Tavaglione Interchange so necessary and fitting.

Riverside County is delighted that you have authored this Senate Concurrent Resolution and supports your effort. If you have any questions or concerns, please contact Brian Nestande, Deputy County Executive Officer, at bnestande@rivco.org.

Sincerely,

Chuck Washington
Chairman, Riverside County Board of Supervisors

COUNTY OF RIVERSIDE



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April 2, 2018

The Honorable Jim Cooper, Chair
Assembly Budget Subcommittee No. 4
State Capitol
Sacramento, CA 95814

The Honorable Richard Roth
Senate Budget Subcommittee No. 4
State Capitol
Sacramento, CA 95814

Re: Funding for Voting System Replacement - SUPPORT

Dear Assembly Member Cooper:

On behalf of the Riverside County Board of Supervisors, I write to express our support for the Governor's budget proposal to provide funding to assist counties in replacing voting systems and associated technology. The \$134.3 million proposed in the Governor's budget will match local investment in much-needed upgrades to county voting systems, providing an opportunity to improve voter participation and outreach across the state.

California counties are responsible for administering federal, state, and local elections. While counties can bill other local governments for their proportional share of administering elections, the state and federal government typically do not pay for their proportional share of elections. The state has provided one-time funding in certain circumstances for elections costs; however, the state does not provide regular funding to counties for elections purposes. In fact, the Legislative Analyst's Office (LAO), in a recent report discussing the roles and responsibilities of the state and counties in the administration of the elections system, suggested that the Legislature consider one-time support to help replace voting systems.

Additionally, the California Voters Choice Act (CVCA) – enacted in SB 450 (Ch. 832, Statutes 2016) – challenges counties to improve voter participation and outreach by (1) authorizing counties to conduct elections in which all voters are mailed ballots and (2) providing voters with the opportunity to vote on those ballots or to vote in person at a vote center for a period of 10 days leading up to election day. Fourteen specified counties are permitted to conduct elections under this system in 2018, while the remaining counties may use this system beginning in 2020. Participation in SB 450 will necessitate an upgraded voter system and modern technology to successfully advance the goals of CVCA; the funding proposed by the Governor would offer needed resources to achieve CVCA objectives.

The Honorable Jim Cooper and Richard Roth
April 2, 2018
Page 2

While we appreciate the Administration's acknowledgment of the need for investment in our voting systems, we respectfully suggest that, in order to meet the need for investment statewide, additional resources may be necessary. We support efforts to ensure that adequate funds are available to counties to upgrade voting systems in all parts of the state.

If you have any questions or concerns about Riverside County's support for the Governor's proposed funding for replacement of voting systems and associated technology, please do not hesitate to contact Brian Nestande, Deputy County Executive, at bnestande@rivco.org.

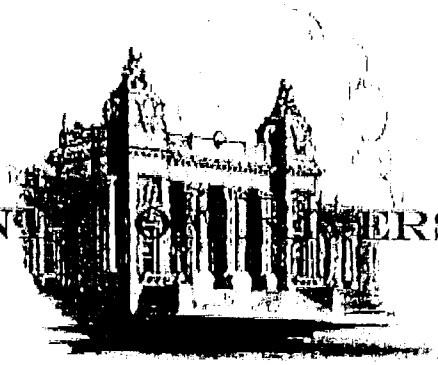
Sincerely,



Chuck Washington
Chairman, Riverside County Board of Supervisors

cc: Members and Consultants, Assembly Budget Subcommittee No. 4
Members and Consultants, Senate Budget Subcommittee No. 4
Riverside County Legislative Delegation

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April 2, 2018

The Honorable Jim Cooper, Chair
Assembly Budget Subcommittee No. 4
State Capitol
Sacramento, CA 95814

The Honorable Richard Roth, Chair
Senate Budget Subcommittee No. 4
State Capitol
Sacramento, CA 95814

Re: State Supplementation for County Assessors' Offices - SUPPORT

Dear Assembly Member Cooper:

On behalf of the Riverside County Board of Supervisors, I write to express our support for the Governor's budget proposal to provide funding to county assessors' office to assist in the maintenance and equalization of property tax rolls. Much like previous efforts to provide such funding to county assessors, the Administration's proposal offers \$5 million annually for three years to assist county assessors in enhancing specified activities in administration of the property tax roll, including assessing and enrolling new construction, reassessments, and processing supplemental assessments, among other activities.

The proposed State Supplementation for County Assessors' Offices is similar to the previous State-County Assessors' Partnership Agreement Program that operated from 2013-14 through 2016-17. Specifically, the proposal would authorize counties to apply for funding, with successful counties required to put up a \$1 match for every \$2 provided by the state, as well as annual reporting requirements on use of grant funds to the Department of Finance. As with previous iterations of these types of programs, we are convinced that additional state investment in the property tax administration system provides a direct and meaningful benefit to the state and local taxing entities. Of course, we also believe that additional investment beyond the proposed \$5 million would be well-advised; previous statewide grant programs were funded at up to \$60 million with wildly positive results.

We appreciate the Administration's acknowledgement of our joint interest in ensuring fair and equitable maintenance and equalization of the property tax rolls and strongly support the proposal to provide funding to county assessors' offices.

The Honorable Jim Cooper and Richard Roth

April 2, 2018

Page 2

If you have any questions or concerns about Riverside County's support for the State Supplementation for County Assessors' Offices, please do not hesitate to contact please do not hesitate to contact Brian Nestande, Deputy County Executive, at bnestande@rivco.org.

Sincerely,

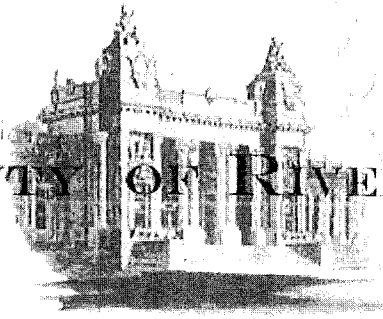


Chuck Washington

Chairman, Riverside County Board of Supervisor

cc: Members and Consultants, Assembly Budget Subcommittee No. 4
Members and Consultants, Senate Budget Subcommittee No. 4
Riverside County Legislative Delegation

COUNTY OF RIVERSIDE



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April 9, 2018

The Honorable Chad Mayes
Member, California State Assembly
State Capitol, Room 4098
Sacramento, California 95814

Re: AB 1952 (Mayes): Envision a Hunger Free California Act of 2018 – As Amended April 2, 2018
Set for Hearing in Assembly Human Services Committee on April 10, 2018
Per Legislative Platform: SUPPORT

Dear Assembly Member Mayes:

On behalf of the Riverside County Board of Supervisors, thank you for authoring Assembly Bill 1952, which would create the Envision a Hunger Free California Act of 2018.

AB 1952 establishes a workgroup responsible for drafting broad-based plan for a hunger free California. Specifically, it creates a process to bring together food system stakeholders to engage and collaborate at the local, regional and state levels to remove barriers to adequate, nutritious food choices and ensure that a vibrant and sustainable food system is available across all communities statewide.

Food insecurity is primarily a symptom of poverty. Research tells us that even one experience of hunger as a child can impact the health and mental well-being of a person into their adult years. Hunger, food insecurity and lack of nourishing food choices contribute to our state's high childhood obesity rate and increases the likelihood of diabetes and prediabetes, affecting nearly 15 million Californians and costing an estimated \$37.1 billion. Access to adequate nutritious food benefits the health and welfare of all Californians at every income level.

Hunger affects California's seniors, as well. Food insecure seniors are at increased risk for chronic health conditions, even when controlling for other factors such as income¹:

- 60% more likely to experience depression
- 53% more likely to report a heart attack
- 52% more likely to aggravate asthma symptoms
- 40% more likely to report an experience of congestive heart failure

AB 1952 will provide the forum for officials whose administrative policy making impacts various parts of the food system to hear from stakeholders within the system, reimagine the way things work, and to launch an action plan that will improve the distribution of fresh produce and help low-income consumer's access food, so that one day, we will be a hunger-free California.

¹ Food Insecurity and Hunger in the United States: An Assessment of the Measure (2006), Committee on National Statistics, Division of behavioral and Social Sciences and Education, National Academic Press, Washington D.C. www.nap.ed

The Honorable Chad Mayes
April 9, 2018
Page 2

For these reasons, the Riverside County Board of Supervisors supports AB 1952. If you have any questions about the County's position, please do not hesitate to contact our Deputy County Executive Officer, Brian Nestande, at (951) 955-1110, bnestande@rivco.org.

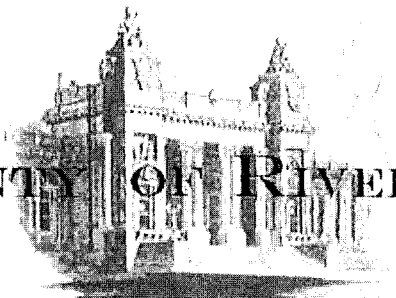
Sincerely,



Chuck Washington
Chairman, Riverside County Board of Supervisors

cc: The Honorable Blanca Rubio, Chair, Assembly Human Services Committee
Members and Consultants, Assembly Human Services Committee
Riverside County Delegation

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April 9, 2018

The Honorable Richard Pan
Chair, Senate Budget and Fiscal Review
Subcommittee No. 3
State Capitol, Room 5114
Sacramento CA 95814

The Honorable Joaquin Arambula
Chair, Assembly Budget Subcommittee No. 1
State Capitol, Room 5155
Sacramento CA 95814

RE: Budget Item 4440 – Incompetent to Stand Trial
County of Riverside: SUPPORT Governor's budget proposal
Per Legislative Platform: SUPPORT

Dear Senator Pan and Assembly Member Arambula:

On behalf of the Riverside County Board of Supervisors, I write in support of the Governor's 2018-19 budget proposal relative to investment in local diversion programs for the Incompetent to Stand Trial (IST) population.

As the Governor's proposed budget acknowledges, there are a number of challenges associated with managing the IST population. Given the expanding waitlist at the Department of State Hospital (DSH), individuals who have been deemed IST languish in local detention where their condition often deteriorates. The Administration and Legislature have taken a number of steps in recent years to relieve the long and growing DSH waitlist – including efforts to expand capacity, but the number of referrals to DSH continues to outpace available placements.

The Governor's budget proposes to invest \$100 million over three years to support county diversion programs in those jurisdictions with the highest number of IST referrals to DSH; the County of Riverside is among those counties. While conversations are ongoing with respect to how best to structure local diversion programs and certain programmatic details, the County of Riverside supports the effort to bring more resources to bear to address the mental health needs of the justice system involved population at the local level.

Riverside County's mental health funding levels are woefully inadequate to address community needs; In fact, we are 57th out of 58 counties for allocations of revenue for health and mental health services. For example, our mental health funding is \$17.85 per capita as compared to the state per capita average of \$33.98. This disparity causes an approximate \$60 million dollar annual loss to Riverside County when federal matching funds are taking into account. Because of this disproportionate funding, we have been unable to build a robust mental health services continuum. For these reasons, we support the Governor's IST diversion concept because it represents an opportunity to strengthen local mental health services and enhance our capacity to meet the needs of the some of the most vulnerable in our mental health and justice systems.

The Honorable Richard Pan and Joaquin Arambula
April 9, 2018
Page 2

We look forward to continued discussions to refine the approach to invest in IST diversion programs and urge your most positive consideration of the Governor's proposal when it comes before your subcommittee. If you have any questions about the County's position, please do not hesitate to contact Deputy County Executive Officer, Brian Nestande at (951) 955-1110 or bnestande@rivco.org.

Sincerely,



Chuck Washington
Chairman, Riverside County Board of Supervisors

cc: Members and Consultants, Senate Budget and Fiscal Review Subcommittee No. 3
Members and Consultants, Assembly Budget Subcommittee No. 1
Riverside County Delegation

AMENDED IN ASSEMBLY APRIL 12, 2018

AMENDED IN ASSEMBLY APRIL 2, 2018

AMENDED IN ASSEMBLY MARCH 19, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 1952

**Introduced by Assembly Members Mayes, Arambula, and Steinorth
(Principal coauthor: Assembly Member Aguiar-Curry)
(Coauthors: Assembly Members Acosta, Baker, and Mathis)
(Coauthors: Senators Dodd and Wiener)**

January 29, 2018

An act to add Section 10001.5 to the Welfare and Institutions Code, relating to food access.

LEGISLATIVE COUNSEL'S DIGEST

AB 1952, as amended, Mayes. Social services: access to food.

Existing law provides for the federal Supplemental Nutrition Assistance Program (SNAP), administered in California as CalFresh, under which each county distributes nutrition assistance benefits provided by the federal government to eligible households. Existing state law authorizes a county to deliver CalFresh benefits through the use of an electronic benefits transfer (EBT) acceptance system.

Existing law, until January 1, 2022, encourages the Regents of the University of California, requires the Trustees of the California State University, and authorizes the Board of Governors of the California Community Colleges, to designate as a "hunger-free campus" each of the institutions' respective campuses that meet specified criteria, including having a campus employee designated to help ensure that students have the information they need to enroll in CalFresh.

This bill would require the State Department of Social Services, the State Department of Public Health, the State Department of Education, and the Department of Food and Agriculture, to develop a plan to end hunger. The bill would require the plan to be distributed to the Legislature no later than January 1, 2020, and would establish criteria for the plan, including that the plan establish a budget of \$11,500,000, contingent upon an appropriation in the annual Budget Act or other measure, for the Department of Food and Agriculture to support local food hub efforts. The bill would also require the plan to request the Regents of the University of California, and direct the Trustees of the California State University and the Board of Governors of the California Community Colleges, to develop systems that allow EBT cards to be used on their respective campuses, and present a report to the Assembly Select Committee on Campus Climate on the progress that has been made, by March July 1, 2019.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known, and may be cited, as the
- 2 Envision a Hunger-Free California Act of 2018.
- 3 SEC. 2. The Legislature hereby finds and declares all of the
- 4 following:
- 5 (a) Access to adequate, nutritious food benefits the health and
- 6 welfare of all Californians at every income level.
- 7 (b) Over one-third of the vegetables and two-thirds of the fruits
- 8 and nuts grown in the United States come from California, but in
- 9 many communities throughout the state there is limited access to
- 10 quality food, which negatively affects those living at or near the
- 11 poverty line, cash-poor college graduates, working families, single
- 12 parents, and disadvantaged communities.
- 13 (c) California's diverse geography and demographics
- 14 unfortunately increase the likelihood of food deserts, as defined
- 15 by the United States Department of Food and Agriculture, that
- 16 limit food access for hundreds of thousands of California residents,
- 17 and this results in poor health outcomes.
- 18 (d) High-cost and congested areas of the state also experience
- 19 limited access to food and often provide few opportunities for food
- 20 businesses to relocate to those "food-poor" areas.

1 (e) California should take steps to ensure access to adequate,
2 nutritious food in all communities across the state.

3 (f) The food insecurity rate is the percentage of a state's
4 population that experience limited or uncertain access to adequate
5 healthy food at some point during the year. People who experience
6 food insecurity often have to reduce the quality or variety of their
7 diet, and sometimes experience hunger. California's food insecurity
8 rate is 12.5 percent.

9 (g) Food insecurity is primarily a symptom of poverty, and
10 poverty is substantially higher among Latinos and other
11 communities of color.

12 (h) Research in child brain development has shown that even
13 one experience of hunger as a child can impact the health and
14 mental well-being of a person into their adult years. Research has
15 similarly demonstrated the long-term academic and economic
16 consequences of how hunger limits a person's life chances.

17 (i) Hunger, food insecurity, and lack of healthy food choices
18 contribute to our state's high childhood obesity rate. California's
19 childhood obesity rate is 16.6 percent for children who are two to
20 four years of age, inclusive, and are beneficiaries of the Special
21 Supplemental Nutrition Program for Women, Infants, and Children,
22 also known as WIC. The obesity rate is 31.2 percent for children
23 in California who are 10 to 17 years of age, inclusive, and the
24 current obesity rate for high school pupils in California is 13.9
25 percent.

26 (j) Lack of adequate healthy food options increases the
27 likelihood and impact of diabetes and prediabetes. Care and
28 treatment cost an estimated \$37.1 billion in California each year
29 and affect almost 15 million Californians, limiting their life
30 possibilities.

31 (k) The Legislature is calling on all partners to make eradication
32 of hunger and food insecurity in our bountiful state a priority and
33 work with us to collectively envision and enact a future without
34 hunger.

35 (l) The Legislature resolves to support a process by which all
36 food system stakeholders will be engaged and collaborate at the
37 local, regional, and state levels to remove barriers to adequate,
38 nutritious food choices and ensure that a vibrant and sustainable
39 food system is available across all communities statewide.

1 SEC. 3. Section 10001.5 is added to the Welfare and
2 Institutions Code, to read:

3 10001.5. The department, the State Department of Public
4 Health, the State Department of Education, and the Department
5 of Food and Agriculture, in consultation with a robust stakeholder
6 group, shall jointly develop a plan to end hunger. The plan shall
7 be distributed to the Legislature no later than January 1, 2020, in
8 accordance with Section 9795 of the Government Code. The plan
9 shall, at a minimum, do all of the following:

10 (a) Identify food deserts, as defined by the United States
11 Department of Agriculture, and make maps of food deserts
12 available online.

13 (b) Identify barriers in bringing retailers to certain locations,
14 such as those in food deserts. These barriers may include, but are
15 not limited to, certain city zoning ordinances, restrictive covenants,
16 the requirements imposed by the California Environmental Quality
17 Act (CEQA) process, the limitations of the public transportation
18 system, and other restrictions imposed in order to protect public
19 safety.

20 (c) Identify infrastructure needs to develop food hubs and
21 consult with the Department of General Services in order to
22 conduct an inventory of state-owned property that would be
23 suitable for food hub locations.

24 (d) Explore methods to use new and existing resources to
25 develop a food hub infrastructure and to utilize county fairgrounds
26 as food hub locations.

27 (e) Establish a budget of eleven million five hundred thousand
28 dollars (\$11,500,000) contingent on an appropriation in the annual
29 Budget Act or another measure, for the Department of Food and
30 Agriculture to identify grant opportunities, with a priority given
31 to regional planning connection strategy models between rural and
32 urban areas demonstrating economic development, job benefits,
33 and greenhouse gas emission reductions. The Department of Food
34 and Agriculture is authorized to use these funds to support other
35 local food hub efforts, taking into consideration the need in the
36 community and geographic diversity.

37 (f) Identify and facilitate stakeholder engagement, including
38 representatives from impacted communities.

39 (g) Make recommendations for improving food access, including
40 funding.

1 (h) Include a plan, which shall be presented to the ~~director by~~
2 ~~May~~ *director, the Director of Public Health, the Superintendent*
3 *of Public Instruction, and the Secretary of Food and Agriculture*
4 *by July 1, 2019*, to encourage the use of an electronic benefits
5 transfer (EBT) system at farmers' markets and retailers in a food
6 desert, or at a retailer that can ship to a food desert, for the purchase
7 of fruits and vegetables.

8 (i) Include a plan, which shall be presented to the Legislature
9 ~~by May~~ *July 1, 2019*, for statewide universal school feeding
10 programs, prioritizing schools with the neediest populations,
11 including a summer lunch EBT program serving children in food
12 deserts who cannot access feeding sites in the event the federal
13 government does not act. The plan shall be submitted in compliance
14 with Section 9795 of the Government Code. The plan shall identify
15 a system for measuring outcomes that include, but are not limited
16 to, all of the following:

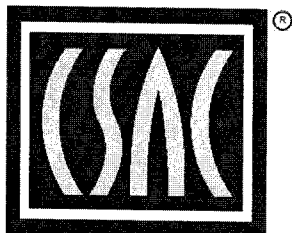
17 (1) Increased time spent in school through enrollment,
18 attendance, and reduced dropout rates.

19 (2) Increased cognition and improved learning.

20 (3) Improved healthcare outcomes and fewer days of school
21 missed due to illness.

22 (j) (1) Request the Regents of the University of California, and
23 direct the Trustees of the California State University and the Board
24 of Governors of the California Community Colleges, to develop
25 systems that allow EBT cards to be used on their respective
26 campuses, and prepare and present to the Assembly Select
27 Committee on Campus Climate a report on the progress that has
28 been made, ~~by March~~ *July 1, 2019*.

29 (2) The requirement to submit a report under this subdivision
30 shall be inoperative on January 1, 2023.



April 12, 2018

The Honorable Lorena Gonzalez Fletcher
Member, California State Assembly
State Capitol Building, Room 2114
Sacramento, CA 95814

RE: Assembly Bill 2571 (Gonzalez Fletcher). Public employee retirement systems: investments: race and gender pay equity.
Oppose – As amended April 11, 2018
Hearing Date: April 18, 2018 – Assembly PERSS Committee

Dear Assembly Member Gonzalez Fletcher:

On behalf of the California State Association of Counties (CSAC) and the County of Riverside Board of Supervisors, we write to express respectful opposition to your Assembly Bill 2571, related to public employee retirement system investments. While we recognize the intent of the measure, unfortunately, the bill would restrict investments and conflict with the fiduciary responsibility of retirement fund administrators.

Specifically, our opposition is based on the possible financial consequences that would negatively impact the overall health of a public employee retirement fund. This is entirely unrelated to the type of investment but rather is solely focused potential financial outcomes it could create. Public retirement systems have long been a cornerstone to recruiting and retaining public employees for counties. They carry the responsibility to provide retirement benefits to their employees and, therefore, have a significant interest in protecting the long-term sustainability the retirement funds. Divestment policies or restrictions on future investments such as those proposed in AB 2571 pose harm to investment performance which, in turn, may result in either increased employer contributions, increased employee contributions, a reduction of other benefit offerings, or all three.

By limiting the portfolios of public retirement systems the funds could suffer and the local government employees and their employers, who are already bearing the burden of a lowered discount rate, would have to bear the financial consequences of such actions. Again, we recognize the intent of the measure but unfortunately must oppose due to the negative impact it could potentially have on the system's funded status and ultimate ability for employers to maintain their pension system contracts. Please do not hesitate to contact us with any questions regarding our position: Dorothy Johnson (on behalf of CSAC) can be reached at 916-650-8133 and Jean Kinney Hurst (on behalf of Riverside County) can be reached at 916-272-0010.

Sincerely,

Handwritten signature of Dorothy Johnson in cursive script.

Dorothy Johnson
Legislative Representative
California State Association of Counties

Handwritten signature of Jean Kinney Hurst in cursive script.

Jean Kinney Hurst
Legislative Representative
County of Riverside

AMENDED IN ASSEMBLY APRIL 11, 2018

CALIFORNIA LEGISLATURE—2017–18 REGULAR SESSION

ASSEMBLY BILL

No. 2571

Introduced by Assembly Member Gonzalez Fletcher

February 15, 2018

An act to *amend Section 16642 of, and to add and repeal Section 7513.76 to of, the Government Code, relating to retirement.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2571, as amended, Gonzalez Fletcher. Public employee retirement systems: investments: race and gender pay equity.

The California Constitution grants the retirement board of a public employee retirement system plenary authority and fiduciary responsibility for investment of moneys and administration of the retirement fund and system. The California Constitution qualifies this grant of powers by reserving to the Legislature the authority to prohibit investments if it is in the public interest and the prohibition satisfies standards of fiduciary care and loyalty required of a retirement board.

Existing law requires every public investment fund, including any fund of any public pension or retirement system, to require each alternative investment vehicle in which it invests to make prescribed annual financial disclosures.

This bill, if consistent with fiduciary responsibilities of a public investment fund as determined by its board, would ~~restrict new, additional, or renewed investments by~~ *require* a public investment fund to *require* an alternative investment vehicle ~~where, if the investment vehicle is managed by an investment manager, the investment manager has adopted and committed to comply with a race and gender pay equity policy consistent with requirements established in the bill.~~ The bill

would require an investment manager, beginning September 1, 2019, to submit to report at least once annually to the public investment fund a certified report regarding compliance. Because a certified report would be required to be verified under penalty of perjury, this bill would expand the crime of perjury, thereby imposing a state-mandated local program. The bill would require each contractually enforceable instrument for additional or new investments or renewal of existing investments with an investment manager to require that the investment manager take prescribed actions consistent with the bill as a material term of the instrument: *certain information concerning specified hospitality employers relating to race and gender pay equity and sexual harassment*. The bill would require a public investment fund to disclose *race and gender pay equity reporting and sexual harassment* information provided to it pursuant to the bill at least once annually to the State Auditor and in a report presented at a meeting open to the public. The bill would define terms for its purposes: *public and would require the fund to provide the report upon request to a member of the Legislature*. The bill would authorize the Department of Fair Employment and Housing to issue regulations for the implementation of these reporting requirements. The bill would define terms for purposes of the reporting provisions and repeal the reporting provisions on January 1, 2022.

Existing law provides that board members and other officers and employees of the Public Employees' Retirement System or the State Teachers' Retirement System, and certain other entities, shall be held harmless and be eligible for indemnification from the General Fund in connection with prescribed actions relating to prohibited investments.

The bill would additionally provide that board members of any public pension or retirement system, other officers and employees, and investment managers under contract with the system shall be held harmless and be eligible for indemnification from the General Fund in connection with actions taken pursuant to the bill.

Because this bill would impose new requirements on local entities, relating to the implementation of the bill, including the collection of information and its presentation at a meeting open to the public, it would impose a state-mandated local program.

The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open

meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

~~The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.~~

~~This bill would provide that no reimbursement is required by this act for specified reasons.~~

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. The Legislature finds and declares all of the
2 following:
3 (a) More than 50 years after passage of the Equal Pay Act of
4 1963 and the Civil Rights Act of 1964, pay inequities along race
5 and gender lines *and sexual harassment* remain pervasive. *These*
6 *problems are particularly acute and well-documented in the*
7 *hospitality sector, a key and growing part of the California and*
8 *United States economy.*
9 (b) The purpose of this act is to ensure that, when it is consistent
10 with and not in violation of their fiduciary responsibilities,
11 California public retirement systems require that ~~investment~~
12 ~~managers of~~ alternative investment vehicles in which they invest
13 ~~adopt~~ *report specified information concerning* race and gender
14 *pay equity policies applicable to themselves and to* ~~and sexual~~
15 *harassment at the investment vehicles' subsidiary entities in the*
16 *hospitality sector, a key area of public investment and of the*
17 *California economy in which pay disparities are well documented.*
18 *sector.*
19 (c) ~~The data information~~ required to meet the reporting
20 obligations in this act are readily available, consistent with existing

1 federal reporting requirements, and do not impose an unreasonable
2 burden on those required to prepare reports.

3 SEC. 2. Section 7513.76 is added to the Government Code, to
4 read:

5 7513.76. (a) Nothing in this section shall require a public
6 investment fund board to take any action that the board determines
7 to be inconsistent with its fiduciary responsibilities, as described
8 in Section 17 of Article XVI of the California Constitution.

9 ~~(b) On and after January 1, 2019, a public investment fund shall
10 make new, additional, or renewed investments in an alternative
11 investment vehicle only where, if the investment vehicle is
12 managed by an investment manager, the investment manager has
13 adopted and committed to comply with a race and gender pay
14 equity policy consistent with this section.~~

15 ~~(c) The race and gender pay equity policy shall contain at
16 minimum the following elements:~~

17 ~~(1) The investment manager, with respect to its own employees,
18 shall do both of the following:~~

19 ~~(A) Identify and eliminate racial or gender pay differentials that
20 are not explained by bona fide nondiscriminatory factors.~~

21 ~~(B) Prepare a certified report containing the pay equity reporting
22 information outlined in subdivision (g).~~

23 ~~(2) The investment manager shall cause any subsidiary entity
24 of the alternative investment vehicle that is a hospitality employer,
25 and any hospitality employer with which any subsidiary entity
26 contracts to operate a facility owned by the subsidiary entity, to
27 do both of the following:~~

28 ~~(A) Identify and eliminate racial or gender pay differentials that
29 are not explained by bona fide nondiscriminatory factors.~~

30 ~~(B) Submit a certified report to the investment manager
31 containing the pay equity reporting information outlined in
32 subdivision (g).~~

33 ~~(d) The same obligations outlined in paragraph (2) of subdivision
34 (c) shall apply to any labor contractor of such a hospitality
35 employer.~~

36 ~~(e) Beginning September 1, 2019, the investment manager shall
37 submit at least once annually to the public investment fund a
38 certified report demonstrating the steps the investment manager,
39 and any hospitality employers that are subsidiary entities or with
40 which subsidiary entities contract to operate a facility owned by~~

1 a subsidiary entity, have taken to comply with subdivision (e);
2 providing in full the pay equity reporting information for its own
3 employees required pursuant to subparagraph (B) of paragraph (1)
4 of subdivision (e) and for hospitality employers required pursuant
5 to subparagraph (B) of paragraph (2) of subdivision (e). This report
6 should indicate the name and address of each hospitality employer.

7 ~~(f) Each contractually enforceable instrument for additional or
8 new investments or renewal of existing investments with an
9 investment manager shall require that the investment manager take
10 the actions described in subdivisions (c), (d), (e), and (h) as a
11 material term of the instrument.~~

12 ~~(g) Every public investment fund shall disclose the pay equity
13 reporting information provided to it pursuant to subdivisions (c),
14 (d), (e), and (h) at least once annually in a report presented at a
15 meeting open to the public. Additionally, every public investment
16 fund shall submit the same information annually to the State
17 Auditor.~~

18 ~~(h) The pay equity reporting information described in
19 subparagraph (B) of paragraph (1), and subparagraph (B) of
20 paragraph (2), of subdivision (e) shall be as follows:~~

21 ~~(1) The annual mean compensation of employees, by gender.~~

22 ~~(2) The annual mean compensation of employees, by ethnic or
23 racial group.~~

24 ~~(3) The number of employees employed in each job category,
25 by gender, for each ethnic or racial group.~~

26 ~~(4) The average annual compensation of employees in each job
27 category, by gender, for each ethnic or racial group.~~

28 *(b) Every public investment fund shall require each alternative
29 investment vehicle in which it invests to report at least annually
30 information concerning any subsidiary entity of the alternative
31 investment vehicle that is a hospitality employer, and any
32 hospitality employer with which any subsidiary entity contracts
33 to operate a facility owned by the subsidiary entity, as follows:*

34 *(1) With respect to race and gender pay equity:*

35 *(A) The annual mean compensation of employees, by gender.*

36 *(B) The annual mean compensation of employees, by ethnic or
37 racial group.*

38 *(C) The number of employees employed in each job category,
39 by gender, for each ethnic or racial group.*

1 (D) The average annual compensation of employees in each
2 job category, by gender, for each ethnic or racial group.

3 (2) With respect to sexual harassment:

4 (A) The existence, case identifying information including case
5 number, and current status of any complaint alleging sexual
6 harassment filed within the past five years by a current or former
7 employee against the hospitality employer in a state or federal
8 court of law or with an administrative agency.

9 (B) The existence and financial terms of any settlement entered
10 into by the hospitality employer within the past five years involving
11 the payment of monetary compensation to a current or former
12 employee in exchange for a release of liability concerning an
13 allegation of sexual harassment.

14 (3) The name and location of each hospitality employer for
15 which information is reported pursuant to this subdivision.

16 (†)

17 (c) For the purposes of the reporting ~~pursuant to requirements~~
18 ~~described in subdivision (h):~~ (b):

19 (1) With respect to paragraph (1) of subdivision (b):

20 (A) An alternative investment vehicle shall be required to report
21 data only with respect to hospitality employers that employ or
22 exercise control over wages, hours, or working conditions of 100
23 or more employees.

24 ~~(1) Employers~~

25 (B) Alternative investment vehicles shall use the job categories
26 and ethnic or racial groups included in the EEO-1 form used by
27 the United States Equal Employment Opportunity Commission
28 and the Office of Federal Contract Compliance. If the EEO-1 form
29 is no longer in use or no longer includes job categories or ethnic
30 or racial groups, the Department of Fair Employment and Housing
31 shall issue regulations determining the job categories and ethnic
32 or racial groups to be used for reporting, which, to the extent
33 possible, shall match those of any similar federal reporting
34 requirements applicable to firms covered by this section.

35 ~~(2) The Department of Fair Employment and Housing may issue~~
36 ~~regulations outlining the job categories in which data for~~
37 ~~hospitality-specific employee classifications shall be reported.~~

38 (†)

39 ~~(C) An employer alternative investment vehicle shall not be~~
40 ~~obligated to report compensation data otherwise required by~~

1 ~~subdivision (h)~~ if that reporting would reflect the compensation
2 of three or fewer employees.

3 (2) *With respect to paragraph (2) of subdivision (b), an*
4 *alternative investment vehicle shall not report the name or any*
5 *other identifying information concerning the person alleging sexual*
6 *harassment unless a complaint was filed in a court of law or with*
7 *an administrative agency.*

8 (3) *The Department of Fair Employment and Housing may issue*
9 *regulations consistent with and necessary for the implementation*
10 *of the reporting requirements of this section.*

11 (d) *Every public investment fund shall disclose the race and*
12 *gender pay equity and sexual harassment information provided to*
13 *it pursuant to subdivision (b) at least once annually in a report*
14 *presented at a meeting open to the public and shall provide that*
15 *report upon request to any member of the Legislature.*

16 ~~(k)~~

17 (e) This section applies to all new contracts the public
18 investment fund enters into on or after January 1, 2019, and to ~~all~~
19 existing contracts pursuant to which the public investment fund
20 makes a new capital commitment on or after January 1, 2019.

21 ~~(l)~~

22 (f) For the purposes of this section:

23 (1) "Alternative investment vehicle" means a limited partnership,
24 limited liability company, or similar legal structure through which
25 a public investment fund invests in a private equity fund, venture
26 fund, hedge fund, absolute return fund, real estate fund, joint
27 venture, coinvestment vehicle, comingled investment, direct
28 investment, or any other investment that is not a publicly traded
29 security or debt fund.

30 ~~(2) "Certified report" means a report verified under penalty of~~
31 ~~perjury.~~

32 ~~(3)~~

33 (2) "Compensation" means gross income as reported on a W-2
34 form, including wages, salaries, fees, commissions, tips, taxable
35 fringe benefits, and elective deferrals, provided, however, that the
36 Department of Fair Employment and Housing shall have authority
37 to issue regulations providing an alternative definition of
38 "compensation" to align to the extent possible with any rule
39 adopted by the United States Equal Employment Opportunity

1 Commission requiring reporting of employee compensation data
2 applicable to employers covered by this section.

3 (3) *“Employee” means a person employed by a hospitality*
4 *employer or employed by an individual or entity that supplies*
5 *workers to perform labor within the hospitality employer’s usual*
6 *course of business.*

7 (4) *“Gender” refers to a person’s self-identified gender identity.*

8 (5) *“Hospitality employer” means any individual or entity in*
9 *the United States that acts as an employer in the hospitality sector,*
10 *including operators of hotels, motels, and resorts as well as*
11 *operators of restaurants and bars located on the premises of hotels,*
12 *motels, and resorts and does not mean an investment firm.*

13 ~~(6) “Labor contractor” means an individual or entity that~~
14 ~~supplies, either with or without a contract, a hospitality employer~~
15 ~~with workers to perform labor within the hospitality employer’s~~
16 ~~usual course of business.~~

17 ~~(7) “Investment manager” means an advisor, general partner,~~
18 ~~real estate manager, private equity manager, or other entity that~~
19 ~~receives fees to manage a public investment fund investment in~~
20 ~~an alternative investment vehicle.~~

21 ~~(8)~~

22 (6) *“Public investment fund” means any fund of any public*
23 *pension or retirement system, including that of the University of*
24 *California to the extent consistent with Section 9 of Article IX of*
25 *the California Constitution.*

26 ~~(9) “Public investment fund board” means the governing body~~
27 ~~of any public investment fund.~~

28 ~~(10) “Racial or gender pay differentials that are not explained~~
29 ~~by bona fide nondiscriminatory factors” means pay differentials~~
30 ~~that would be prohibited under the standard set forth in subdivisions~~
31 ~~(a) and (b) of Section 1197.5 of the Labor Code.~~

32 (7) *“Sexual harassment” means sexual harassment as defined*
33 *under applicable state or federal law.*

34 ~~(11)~~

35 (8) *“Subsidiary entity” means any business organization,*
36 *including, but not limited to, a corporation, partnership, or limited*
37 *liability company, over which an alternative investment vehicle*
38 *managed by an investment manager exercises, or has the right to*
39 *exercise, control through ownership or control of shares of the*
40 *business organization possessing more than 50 percent of voting*

1 power, whether directly or indirectly through one or more other
2 subsidiary entities.

3 *(g) This section shall remain in effect only until January 1, 2022,*
4 *and as of that date is repealed.*

5 *SEC. 3. Section 16642 of the Government Code is amended to*
6 *read:*

7 16642. *(a) Present, future, and former board members of the*
8 *Public Employees' Retirement System or the State Teachers'*
9 *Retirement System, jointly and individually, state officers and*
10 *employees, research firms described in subdivision (d) of Section*
11 *7513.6, and investment managers under contract with the Public*
12 *Employees' Retirement System or the State Teachers' Retirement*
13 *System shall be indemnified from the General Fund and held*
14 *harmless by the State of California from all claims, demands, suits,*
15 *actions, damages, judgments, costs, ~~charges~~ charges, and expenses,*
16 *including court costs and attorney's fees, and against all liability,*
17 *losses, and damages of any nature whatsoever that these present,*
18 *future, or former board members, officers, employees, research*
19 *firms as described in subdivision (d) of Section 7513.6, or contract*
20 *investment managers shall or may at any time sustain by reason*
21 *of any decision to restrict, reduce, or eliminate investments*
22 *pursuant to Sections 7513.6, 7513.7, and 7513.75.*

23 *(b) Present, future, and former board members of any public*
24 *pension or retirement system, including, but not limited to, that of*
25 *the University of California, jointly and individually, state officers*
26 *and employees, and investment managers under contract with any*
27 *public pension or retirement system shall be indemnified from the*
28 *General Fund and held harmless by the State of California from*
29 *all claims, demands, suits, actions, damages, judgments, costs,*
30 *charges, and expenses, including court costs and attorney's fees,*
31 *and against all liability, losses, and damages of any nature*
32 *whosoever that these present, future, or former board members,*
33 *officers, employees, or contract investment managers shall or may*
34 *at any time sustain by reason of any decision to restrict, reduce,*
35 *or eliminate investments pursuant to Section 7513.76.*

36 ~~SEC. 3.~~

37 *SEC. 4. The Legislature finds and declares that Section 2 of*
38 *this act, which adds Section 7513.76 to the Government Code,*
39 *further, within the meaning of paragraph (7) of subdivision (b)*
40 *of Section 3 of Article I of the California Constitution, the purposes*

1 of that constitutional section as it relates to the right of public
2 access to the meetings of local public bodies or the writings of
3 local public officials and local agencies. Pursuant to paragraph (7)
4 of subdivision (b) of Section 3 of Article I of the California
5 Constitution, the Legislature makes the following findings:

6 The information in the disclosures required under subdivisions
7 (b) to (h), (e), inclusive, of Section 7513.76 of the Government
8 Code is necessary to ensure public confidence in the integrity of
9 investments made by public investment fund boards in alternative
10 investment vehicles.

11 ~~SEC. 4. No reimbursement is required by this act pursuant to~~
12 ~~Section 6 of Article XIII B of the California Constitution because~~
13 ~~the only costs that may be incurred by a local agency or school~~
14 ~~district under this act would result either from a legislative mandate~~
15 ~~that is within the scope of paragraph (7) of subdivision (b) of~~
16 ~~Section 3 of Article I of the California Constitution, or because~~
17 ~~this act creates a new crime or infraction, eliminates a crime or~~
18 ~~infraction, or changes the penalty for a crime or infraction, within~~
19 ~~the meaning of Section 17556 of the Government Code, or changes~~
20 ~~the definition of a crime within the meaning of Section 6 of Article~~
21 ~~XIII B of the California Constitution.~~

22 *SEC. 5. The provisions of this act are severable. If any*
23 *provision of this act or its application is held invalid, that invalidity*
24 *shall not affect other provisions or applications that can be given*
25 *effect without the invalid provision or application.*

26 *SEC. 6. No reimbursement is required by this act pursuant to*
27 *Section 6 of Article XIII B of the California Constitution because*
28 *the only costs that may be incurred by a local agency or school*
29 *district under this act would result from a legislative mandate that*
30 *is within the scope of paragraph (7) of subdivision (b) of Section*
31 *3 of Article I of the California Constitution.*