

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



ITEM
2.5
(ID # 7162)

MEETING DATE:
Tuesday, June 5, 2018

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: May 2018 Legislative Update Report, All Districts. [\$0]

RECOMMENDED MOTION: That the Board of Supervisors:

1. Receive and file the May 2018 Legislative Update Report.

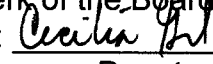
ACTION: Consent


Brian Nestande 5/29/2018

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Perez, seconded by Supervisor Tavaglione 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: June 5, 2018
xc: EO

Kecia Harper-Ihem
Clerk of the Board
By: 
Deputy

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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: No	
			For Fiscal Year:	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

As per Board Policy A-27, the County's Legislative Advocates provide monthly reports to the Board of Supervisors on the progress of County-sponsored legislation and issues at the forefront of discussion at State/Federal levels that may have a fiscal and/or operational impact on the County. Included in the reports are the formal positions of notable associations/organizations of elected County department heads.

LEGISLATIVE REPORTS

STATE:

On the state budget front, the two houses are working apace to wrap up budget subcommittee and full budget hearings in preparation for the Budget Conference Committee process expected to begin the week of May 28. At the time of this writing, the Senate is a few days ahead of the Assembly in terms of preparing its version of a state spending plan. The upper house wrapped up its May Revision hearings last Thursday, closing out most January and May Revision budget proposals. The full Senate budget committee met yesterday to hear final reports from each of the five budget subcommittees. The Assembly, on the other hand, is expected to hold budget subcommittee hearings through Thursday of this week. The two houses are, in many instances, approving disparate expenditures, which will have to be reconciled through the bicameral, bipartisan Budget Conference Committee process. While the Budget Conference Committee will begin meeting next week, we anticipate that the timing of the June 5 statewide primary will have ripple effects for the budget calendar. Regardless of other demands on members' calendars, the state Constitution requires that a final budget be delivered to the Governor on or before June 15, so there is much to be done in the weeks ahead to arrive at a negotiated state budget package.

2018-19 STATE BUDGET ITEMS

Below we provide an update on 2018-19 budget items of consequence that emanate from the Governor's January budget proposal, the May Revision, as well as legislative alternatives. Keep in mind that the Assembly budget subcommittees may take action on many of these

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items before the end of this week. We note where the County has weighed in on specific budget items.

<p>Housing/ Homelessness</p>	<p>housing assistance for CalWORKs, the Home Safe pilot program, and a \$250 million Homeless Emergency Aid program for local agencies. The Senate approved a \$5 billion, 4-year package, including \$1 billion in revenue from SB 2 (2017), \$2.5 billion General Fund, and \$1.5 billion in Proposition 2 funds, focusing on the goals of increasing construction of affordable housing, providing long-term solutions to the homelessness crisis, and providing emergency funding to local governments to address immediate homelessness issues. The Senate also approved the Governor's one-time augmentation of \$50 million for Homeless Mentally Ill Outreach and Treatment for multi-disciplinary teams to support intensive outreach, treatment and related services for homeless persons with mental illness and the \$15 million proposed in the May Revision for the Home Safe Program. <i>Riverside County supports the homelessness investment package generally; the County is seeking to ensure an equitable allocation of</i></p>
<p>Mandate Repayment</p>	<p>The May Revision proposes to provide \$282.2 million plus interest to local agencies for costs associated with repealed or expired mandates. The Senate and Assembly both approved the mandate repayments.</p>
<p>Voting Systems Replacement</p>	<p>The Governor proposed \$134 million to assist counties in replacing outdated voting equipment. The Senate and Assembly both approved this proposal last week. <i>Riverside County supports funding for voting system replacement.</i></p>
<p>Youth Reinvestment Fund/Reentry and Diversion</p>	<p>The Senate and Assembly previously considered but took no action on an Assembly Member Reggie Jones-Sawyer request to establish a \$100 million Youth Reinvestment Fund to provide additional reentry and diversion opportunities for young people. Last week, the Senate took action to approve a \$100 million allocation for these purposes, which vary slightly from Assembly Member Jones-Sawyer's original request, as follows:</p> <ul style="list-style-type: none"> ▪ \$15 million to fund social workers in Public Defenders' offices ▪ \$50 million to community-based organizations for reentry housing efforts ▪ \$35 million in grants for other diversion and reentry efforts ▪ Placeholder language to improve reentry outcomes and to divert low- level offenders from jail and prison
<p>Sustainable Rehabilitation for Youth Act</p>	<p>The Assembly considered but left open a probation chief-sponsored budget augmentation of \$30 million to provide grants to counties to adapt and repurpose juvenile detention</p>

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Incompetent to Stand Trial Diversion	The Senate and Assembly heard but took no action earlier in the year on the Governor's January proposal to appropriate \$100 million to the Department of State Hospitals (DSH) for purposes of funding local diversion programs for those at-risk to becoming an
	Stand Trial (IST). The Senate took action last week to do the following, which departs in several significant ways from the Governor's proposal: <ul style="list-style-type: none"> ▪ Approve the \$100 million in DSH funding for IST diversion ▪ Require DSH to enter into an interagency agreement with the Mental Health Services Oversight and Accountability Commission (MHSOAC) ▪ Require applicant counties to make use of all available county allocations of MHSOAC (Prop 63) funds ▪ Require DSH and MHSOAC approval of all county IST diversion programs, under an expedited process ▪ Establish a shared savings program for counties receiving IST diversion programs (modeled after probation incentive funding set forth in SB 678, 2009)
County Law Libraries	The Senate approved a one-time General Fund appropriation of \$16.5 million to address shortfalls in county law library funding. The Assembly heard this item previously and took no action.
Supportive Housing for Mentally Ill Parolees	The Senate approved a one-time allocation of \$5 million to fund supportive housing for parolees with mental health issues as they transition into the community; the accompanying policy bill is <u>SB 1010</u> (Beall). CDCR would be required to enter into agreements with participating counties.
ID Cards for Juveniles Exiting State Youth	The Senate approved a request to authorize the Division of Juvenile Justice (DJJ) to obtain California ID cards issued by the DMV to youthful offenders as they are discharged from a state
Juvenile Justice Reforms	The Senate approved the Governor's January juvenile justice reforms regarding age of DJJ jurisdiction and implementation of a five-year pilot project for providing youthful offenders otherwise subject to custody in an adult prison with rehabilitative services at
STC Training Funds	The Senate and Assembly approved the Governor's May Revision proposal to maintain current-year funding levels (\$17.3 million) for Standards and Training for Corrections and to shift the funding source to the General Fund for greater stability.

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Juvenile Justice Data Collection	The Senate took action to adopt placeholder language to begin the process of updating and modernizing the Juvenile Court and Probation Statistical System (JCPSS), which resides at the Department of Justice and is broadly viewed as woefully outdated. Under this proposal, state and local officials as well as other stakeholders would be required to submit a plan by March 1, 2019 for upgrading and replacing the JCPSS. The Assembly heard this item previously on an informational basis.
Appellate Court Justice	The Senate approved funding for an additional appellate court justice and associated staff for the division of the 4 th appellate district serving the Inland Empire. <i>Riverside County supports funding for the appellate court justice</i>
Crime Labs	Both subcommittees approved a May Revision proposal to provide a one- time augmentation to the Department of Justice for replacing

Crime Labs	laboratory equipment and to backfill for continuing declines in DNA identification funds.
340B Drug Discount Program	The Senate rejected the proposal to eliminate the use of the 340B program in Medi-Cal and encouraged the Administration to work with stakeholders "to find a solution to the duplicate rebates problem that mitigates or eliminates these negative impacts." <i>Riverside County supports the continuation of the 340B</i>
Graduate Medical Education	The Senate approved the Governor's \$55 million to support psychiatric graduate medical education (GME) programs serving the Health Professional Shortage Areas or Medically Underserved Areas in rural portions of the state. <i>Riverside County supports the GME proposal.</i>

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<p>Health Care</p>	<p>The Senate adopted several notable proposals on health care, including:</p> <ul style="list-style-type: none"> ▪ <i>Expand Medi-Cal to Undocumented Adults.</i> Approved \$75 million in 2018-19 and \$150 million annually thereafter to expand Medi-Cal eligibility to income-eligible individuals over age 65 regardless of immigration status, beginning on January 1, 2019. The Assembly took action on May 7 to expand Medi-Cal to young adults, ages 19-25, so this item will be in Conference Committee. ▪ <i>Expand Medi-Cal for Seniors and Persons with Disabilities.</i> Approved a proposal to expand eligibility for Medi-Cal's aged and disabled program up to 138 percent of the FPL, beginning January 1, 2019 (\$30 million General Fund full year cost). The Assembly took action to fund this item on May 7. ▪ <i>Restoration of Optional Medi-Cal Benefits.</i> Adopted language and funding to accelerate the restoration of optional benefits on January 1, 2019 (rather than January 1, 2020). (Cost: \$16.6 million in 2018-19 and \$41.4 million annually thereafter). ▪ <i>Same Day Mental Health Services at Federally Qualified Health Centers (FQHCs) and (Rural Health Centers (RHCs).</i> Adopted language to allow FQHCs and RHCs to be reimbursed separately for mental health services provided on the same day as medical services (\$3 million in 2018-19 and \$1.5 million annually thereafter). ▪ <i>Black Infant Health Program.</i> Expanded the Black Infant Health Program's scope to fund local programs that combine social interventions with medical interventions and other wrap-around services. Provided \$15 million General Fund annually. ▪ <i>Sunset Extension for Needle Exchange Programs.</i> The Senate adopted placeholder trailer bill language to eliminate January 1, 2019 sunset date for needle
	<p>certification fee by up to \$12 to fund additional staff to improve certification processing time to no more than 60</p>

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<p>Proposition 56</p>	<p>The Senate allocated unspent Proposition 56 tobacco tax revenue as follows:</p> <ul style="list-style-type: none"> ▪ \$427 million unallocated in 2018-19 (Ongoing) <ul style="list-style-type: none"> • \$300 million for supplemental payments for pediatric primary care providers codes to be reimbursed at Medicare rates, consistent with the primary care rate increase provided pursuant to the federal Affordable Care Act. • \$45 million for supplemental payments for pediatric specialty providers. • \$30 million for supplemental payments to dental providers that treat children with special needs. • \$40 million for supplemental payments for adult dental preventive treatment. • \$4 million for supplemental payments for pediatric day health centers. • \$4 million for supplemental payments to pediatric subacute facilities. • \$4 million for supplemental payments for breast pumps provided by Medi-Cal. ▪ \$294 million unallocated in 2017-18 (One-time) <ul style="list-style-type: none"> • \$150 million for workforce development programs, including but not limited to, loan repayments, for physicians who agree to provide a significant portion of their services for Medi-Cal beneficiaries. • \$144 million for a provider incentive payment program to cover fixed costs, provide supplemental reimbursements or other incentives to providers who serve Medi-Cal beneficiaries in rural or high poverty urban areas with a demonstrated shortage of access to providers. ▪ Direct DHCS to apply for federal approval for all supplemental payment programs for a two-year period, with the funding provided by the two-year appropriation of the Healthcare Treatment Fund item.
<p>Substance Use Disorder Treatment</p>	<p>The Senate adopted two proposals aimed at increasing access to SUD treatment: 1) expanding Screening, Brief Intervention, Referral, and Treatment (SBIRT) services in Medi-Cal to detect use of opioids and other drugs (\$2.6 million), and 2) creating a statewide pilot program that places a certified drug and alcohol counselor in each of the approximately 400 Emergency Departments throughout California (\$20 million General Fund annually).</p>
<p>Poverty Investments</p>	<p>The Senate adopted a package of budget augmentations to bolster anti-poverty programs, including the creation of a safety net</p>

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	<p>Medi-Cal and CalWORKs during an economic downturn when program enrollment typically increases. The Senate also increased CalWORKs grants to keep children out of deep poverty, which is defined as below 50 percent of the Federal Poverty Level (the related policy bill is <u>SB 982</u>, Mitchell). The action would raise the maximum aid payment from \$714 to \$1,046 for a family of three by 2021-22 and is estimated at \$400 million in 2018-19, growing to \$1.5 billion by 2021-22. Additionally, the Senate included adjustments for inflation in the SSI/SSP and CalWORKs programs beginning January 1, 2019 and annually thereafter, using the California Necessities Index (CNI) as the inflation factor. Finally, the Senate took action to end the State Supplemental Income (SSI) Cash-Out, allow all SSI recipients to apply for CalFresh benefits, and hold harmless those households that would see either a loss or reduction of benefits due to this policy change, either currently in the program or in the future. (\$60</p>
<p>Child Support</p>	<p>The Senate increased funding for underfunded county child support agencies, including providing \$17.9 million of General Fund in 2018-19; \$28.4 million General Fund in 2019-20; \$38.8 million General Fund in 2020-21; and \$4.8 million additional General Fund in each of the three years. They also adopted language to create a new methodology based on a ratio based of cases per FTE position to determine each Local Child Support Agency's allocation. The language also directs local agencies and the Administration to work together over the 2018-2019 budget year to develop additional program improvements or improvements to the methodology.</p>

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<p>County Administration of HHS Programs</p>	<ul style="list-style-type: none"> ▪ <i>In-Home Supportive Services (IHSS).</i> The May Revision provided additional administrative funding for IHSS because of a new methodology developed between the state and counties. However, the methodology did not use actual worker costs. The Senate approved the amount provided in the May Revision and increased it by \$1,000; the Subcommittee also directed the Department of Finance to work with county and labor partners in refining the amount needed to fully fund social workers. ▪ <i>Continuum of Care Reform.</i> The counties (CWDA and CSAC) requested an additional \$49.1 million above the May Revision for CCR workload. The Senate provided an additional \$25 million for unfunded county workload. ▪ <i>CalWORKs Single Allocation.</i> Although the May Revision provides a \$55 million augmentation for the Eligibility component of the Single Allocation as a result of the new budget methodology, there is an additional reduction to the Employment Services component due to caseload declines. The result is that the May Revision on net only provides an additional \$30.8 million
	<p>Allocation in 2018-19 when compared to the current year. The Senate provided an additional \$10 million General Fund for Employment Services in 2018-19. <i>Riverside County supports fully funding the CalWORKs Single</i></p>
<p>Senior Program Investments</p>	<p>The Senate provided additional funding for the Long-Term Care Ombudsman Program (\$2.3 million for local programs) and for the Multipurpose Senior Services Program (\$4.6</p>
<p>Cap and Trade</p>	<p>The Governor released his proposed expenditure plan for cap-and-trade funds on January 26. It proposes to spend \$1.25 billion in available cap- and-trade auction revenues across four main initiatives: Zero-Emission Vehicle Investment Initiative; Sequestration and Resilience Initiative; California Integrated Climate Investment Program; and California Climate Change Technology and Solutions Initiative. The Senate approved a modified cap-and-trade expenditure plan that incorporates additional revenues from recent auctions and estimates from the LAO of several hundred million dollars. The Assembly is scheduled to take action on cap- and-trade this week. <i>Riverside County supports additional funding for the Transformative Climate Communities program, improved equity in allocation of funding, and a modified definition of disadvantaged communities to allow for a broader geographic reach of funds.</i></p>

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County Assessors' Grant Program	The Governor's budget includes \$5 million for a three-year pilot program to provide funding for county assessors' offices to hire new assessment staff and improve IT systems to more accurately value existing property and expeditiously enroll new properties. The grants would be provided to counties with a \$750,000 maximum amount and a county match of \$1 to \$2 of state funding. The Senate and Assembly have approved this
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COUNTY-SPONSORED LEGISLATION

AB 1946, by Assembly Member Sabrina Cervantes, is intended to address a problem in Riverside County of elder and dependent trafficking. A troubling practice has been identified among certain community care facilities where an elderly or dependent adult is released from a hospital setting into a licensed care facility, only to be moved to an unlicensed facility (run by same provider) that is offering substandard care. In collaboration with a small working group of County, City of Riverside, and Department of Justice stakeholders, we have been working for months to identify a tailored, constructive approach that would provide the necessary tools to either disincentivize this business practice or to make it outright illegal.

However, despite pursuing several legislative approaches to achieving either outcome, each proposed solution encountered substantive legal hurdles or significant opposition. In consultation with the author's office, a decision was made to put the bill on hold this year to allow more time for development

of a solution that will secure legislative approval. We will continue to collaborate with the working group of experts, as well as interested stakeholders, to craft a legislative approach for 2019.

- **Status:** As noted in the April update, AB 1946 will not be moving forward this year.
- **Support:** County of Riverside (sponsor)
- **Opposition:** None known.

**AB 2137 (Mayes) – Increase to no-bid contracting threshold for Riverside County
Regional Parks and Open Space District**

This measure would increase from \$25,000 to \$50,000 the no-bid threshold for the Riverside County Regional Park and Open Space District. Previous legislative efforts made this same change for the East Bay Regional Park District, the Midpeninsula Regional Open Space District, and the Sonoma County Agricultural Preservation and Open Space District. Previous legislative measures in this area appear to have been non-controversial.

- **Status:** AB 2137 received unanimous support throughout its passage in the Assembly. It now awaits hearing in the Senate Governance and Finance Committee.
- **Support:** County of Riverside (sponsor); California Special Districts Association; East Bay Regional Park District.
- **Opposition:** None known; previous efforts for other districts did not attract opposition.

AB 2821 (Mayes) – Integrated Health and Human Services System

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AB 2821, by Assembly Member Chad Mayes, would authorize the County of Riverside – upon approval of the Board of Supervisors – to operate an integrated and comprehensive county health and human services system. The Counties of San Diego and Placer Counties already have this authority. AB 2821 would provide the county with the statutory authority for an integrated health and human services system. The County of Riverside would have the authority as an integrated agency to: 1) maintain and evaluate a system of administration that integrates and coordinates the management and support of client services; and 2) maintain a system of reporting and accountability that provides for the combined provision of services without the loss of state or federal funds provided under current law. Further, the measure would give the county flexibility to move funds between health and human services subaccounts within the 2011 Realignment funding structure. The Brown Administration has reached out and indicated an interest in working with Riverside County to expand the provisions in AB 2821 to all counties. HBE is working with Assembly Member Mayes' office and the California Health and Human Services Agency on this development, which would be executed in the Senate.

- **Status:** Awaits action on the Assembly Floor.
- **Support:** County of Riverside (sponsor).
- **Opposition:** None known.

AB 3007 (E. Garcia) – Services for Children of Incarcerated Parents (CIP)

Riverside County has designed a program to deliver a comprehensive set of services meant to boost the resiliency factors and reduce the likelihood of future involvement in the criminal justice system of children whose parents are currently or formerly incarcerated. This bill would authorize the program in the County of Riverside and specify program elements and expected outcomes. At the time of this writing, we are working with the author's office to draft technical amendments to address concerns

raised by the state Department of Social Services about the potential for duplication of services with the foster care population, among other issues.

- **Status:** AB 3007 passed out of the Assembly with no "no" votes and is now set for hearing in the Senate Human Services Committee on June 12. It has also been referred to the Senate Health Committee.
- **Support:** County of Riverside (sponsor); California Immigrant Policy Center
- **Opposition:** None known.

TWO-YEAR BILLS

On the County's behalf, we have engaged in several two-year measures that have carried over from the 2017 legislative year. We provide a status update below.

AB 1250 (Jones-Sawyer) – County Contracting Out Authority

OPPOSE

As of the time of this writing, there are no new developments to report on AB 1250, a measure that proposed to considerably restrict county governments' ability to contract out for personal services. The County of Riverside – along with virtually every other county, other statewide county associations, and a significant swath of the non-profit community, among others –

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opposed the bill in 2017. The bill remains stalled in the Senate Rules Committee, where it has been parked since September of last year, and there are no signals that any movement is planned. It is worth noting that AB 3224 (Thurmond) touches on somewhat related issues. This latter measure seeks to codify existing federal law and county practice with respect to requiring eligibility determinations for Medi-Cal, CalWORKs, and CalFresh be done by county employees. Our analysis indicates that AB 3224 would not impose new requirements or unduly burden counties; CSAC has taken a neutral position on the bill. We continue to monitor keep the County well informed about developments with AB 1250, AB 3224, and any similar legislative measures that may arise this year.

- **Status:** AB 1250 remains in the Senate Rules Committee; AB 3224 is awaiting hearing in the Senate Human Services Committee.
- **Support (AB 1250):** SEIU and AFSCME (co-sponsors), along with a number of other employee organizations
- **Opposition (AB 1250):** County of Riverside; CSAC; Urban Counties of California; Rural County Representatives of California; Howard Jarvis Taxpayers Association; Retailers Association; American Planning Association, California Chapter; California Business Properties Association; California Chamber of Commerce; dozens of additional individual counties; and hundreds of non-profit organizations and service providers

**SB 38 (Roth)/AB 2446 (Oberholte) – Judgeship Funding
SUPPORT**

Addressing the shortage of judicial resources – both at the trial court and appellate court level – in Riverside County has been a priority for the Board of Supervisors; the magnitude of judgeships shortfall is significant and well-documented. In 2007, 50 trial court judgeships were authorized by the Legislature (AB 159) but have yet to be funded. In its introduced version, SB 38 did the following: 1) authorized and funded one appellate court justice in the 4th District, Division Two (hearing appeals from the Riverside and San Bernardino Superior Courts) and 2) funded 10 of the 50 previously authorized trial court judgeships. SB 38 was taken up by the Senate Judiciary Committee and passed unanimously earlier this month. However, the Senate Appropriations Committee stripped out the appropriations from the bill

before passing it out of its committee. The sole provision that remains in the bill is the language to statutorily create the appellate court justice. It should be noted that Assembly Member Jay Oberholte – who represents the similarly impacted San Bernardino County – introduced AB 2446, which is nearly identical to SB 38 in its introduced form. The County also is supporting AB 2446. Assembly Member Oberholte has put forward a state budget request, which remains open. At this point, it seems unlikely that the final state budget will include funding for the 10 trial court judgeships, although – as noted above – funding to establish one new appellate court justice in Division Two of the Fourth Appellate District (located in Riverside and serving the Counties of Riverside and San Bernardino) seems more promising.

- **Status:** SB 38 is awaiting hearing in the Assembly Judiciary Committee; AB 2446 is on the Assembly Appropriations Committee Suspense File.
- **Support: SB 38** – Judicial Council (sponsor), County of Riverside, California Judges Association, Greater Riverside Chambers of Commerce

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AB 2446 – County of Riverside, California Judges Association, County of San Bernardino, Judicial Council of California

- **Opposition:** None

**AB 862 (Maienschein) – Pay for Success Programs
SUPPORT**

The County of Riverside is supporting Assembly Member Brian Maienschein's effort to authorize and provide \$5 million in funding to support three additional counties' participation in a pay-for-success (PFS) program. AB 1837 (Atkins, 2014) authorized an initial PFS program administered by the Board of State and Community Corrections; three counties successfully competed for the funds and are currently implementing programs that focus on reducing recidivism among a targeted group of the adult criminal justice population. AB 862 would create a pay-for-success funding option for which Riverside County could compete; it is viewed as an opportunity to seek financial support for the County's efforts to establish a program to deliver wrap-around services to reduce risk factors and develop resiliency among children whose parents are incarcerated. The bill now clarifies that the PFS programs authorized under AB 862 are separate and apart from those that were previously authorized in AB 1837.

- **Status:** AB 862 is awaiting hearing in the Senate Appropriations Committee.
- **Support:** Sacramento Regional Builders Exchange (sponsor); County of Riverside; Californians for Safety and Justice; Federation of California Builders Exchanges; Bay Area Builders Exchange; Central California Builders Exchange; Valley Contractors Exchange
- **Opposition:** None known.

ADDITIONAL LEGISLATION OF INTEREST

**AB 3157 (Bonta and Lackey) – Cannabis taxation
SUPPORT**

AB 3157, by Assembly Members Rob Bonta and Tom Lackey, would temporarily lower California's total tax on cannabis by decreasing the cannabis excise tax from 15% to 11% and suspending the cultivation tax for three years. According to the authors, this short-term tax reduction would encourage cannabis operators and consumers to enter the legal market and curtail the underground cannabis market. In accordance with the County platform that supports a lower total tax on cannabis, the County supports this measure.

- **Status:** AB 3157 is now on the Assembly Appropriations Committee Suspense File.
- **Support:** County of Riverside; Board of Equalization Member Fiona Ma, 2nd District; California Asian Pacific Chamber of Commerce; California Cannabis Delivery Alliance; California Growers Association; California NORML; California Teamsters; Cannabis Distribution Association; CMG/Caliva Cultivation Technologies; Flow Kana River Collective; Southern California Coalition; WeDrop; Monterey County Board of Supervisors
- **Opposition:** None known.

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**SB 1043 (Newman) – County Veterans Services Offices
SUPPORT**

SB 1043 by Senator Josh Newman would, beginning in the 2018-19 fiscal year, continuously appropriate

\$7 million to California counties to fund the activities of County Veterans Services Offices (CVSOs). In accordance with the County platform that seeks to secure full funding of CVSOs, the County supports this measure.

- **Status:** SB 1043 is on the Senate Appropriations Committee Suspense File.
- **Support:** California Association of County Veterans Service Officers (sponsor); County of Riverside; American GI Forum of California American Legion-Department of California; AMVETS- Department of California; California State Commanders Veterans Council; Cities of Blythe and Indian Wells; Military Officers Association of America-California Council of Chapters; Rural County Representatives of California (RCRC); Sacramento County; Vietnam Veterans of America- California State Council
- **Opposition:** None

**AB 2598 (Quirk) and SB 1416 (McGuire) – Code Enforcement
SUPPORT**

In accordance with the platform supporting expansion of tools to assist in code enforcement compliance, the County has taken support positions on two measures in this policy area. AB 2598, by Assembly Member Bill Quirk, would increase the fine amount cities and counties may assess for violations of building and safety codes; it would further create a new fine for specified violations on commercial property. Secondly, SB 1416, by Senator Mike McGuire, would authorize, until January 1, 2024, cities and counties to collect fines related to the nuisance abatement using a lien or special assessment; it would also require any recovered fines or penalties related to these provisions to be used for supporting local enforcement of state and local building and fire code standards.

- **Status:** AB 2598 is awaiting hearing in the Senate Governance and Finance Committee. SB 1416 is in the Assembly awaiting assignment to a policy committee.
- **Support:** **AB 2598** – League of California Cities and California Association of Code Enforcement Officers (co-sponsors)
SB 1416 – County of Riverside; California Building Officials (CALBO); California Business Properties Association.
- **Opposition:** **AB 2598** – American Civil Liberties Union of California; East Bay Community Law Center; Lawyers' Committee for Civil Rights of the San Francisco Bay Area; Legal Services for Prisoners with Children; and Western Center on Law and Poverty
SB 1416 – None known.

**SB 1004 (Wiener) – MHSA: Prevention and Early Intervention OPPOSE UNLESS
AMENDED**

SB 1004, by Senator Wiener, would establish priorities for the use of Mental Health Services Act prevention and early intervention (PEI) funds and develop a statewide strategy for monitoring the

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implementation of PEI programs. Riverside County sent an oppose unless amended letter raising concerns that 1) the bill is too narrowly crafted in terms of the types of programs and specific areas of focus for PEI funding; 2) the PEI plan approval process in the bill would result in delays and undermine local investments. The County requests that 1) the bill be amended to include broader categories of PEI programming and 2) the PEI plan approval process provision be deleted from the bill. HBE has been working with the author's office; there are additional amendments expected to be made to the bill on the Senate floor that directly address Riverside County's concerns. HBE anticipates removing Riverside's concerns once the amendments are in print.

- **Status:** SB 1004 is on the Senate Appropriations Committee Suspense File.
- **Support:** Steinberg Institute (sponsor); California Hospital Association; California Medical Association; California State Student Association; California State University; Disability Rights California; National Center for Youth Law; Children Now; Juvenile Court Judges of California; JERICHO; Children's Defense Fund-California; California Association of Veteran Service Agencies; Californians for Safety and Justice; American Foundation for Suicide Prevention; Jed Foundation; America's Physician Groups; One Mind
- **Opposition:** County Behavioral Health Directors Association of California

SB 1303 (Pan) – Office of the County Medical Examiner

OPPOSE

SB 1303, by Senator Richard Pan, would require counties with a population of more than 500,000 that operate a consolidated sheriff-coroner office – which includes the County of Riverside – to abolish the office of the coroner and establish an independent office of the medical examiner. Some counties have already opted to establish the Office of the Medical Examiner. The County of Riverside opposes this measure given that, under current law, counties have clear and unfettered authority to create a separate office of the medical examiner. Indeed, several jurisdictions have done so. SB 1303 would – irrespective of the current circumstances in a given county and without regard to a jurisdiction's capacity to assume new and likely substantial costs associated with operating the office of the medical examiner – eliminate the local boards of supervisors' authority in making an important local governance decision.

- **Status:** SB 1303 is on the Senate Appropriations Committee Suspense File.
- **Support:** California Medical Association (sponsor); American Federation of State, County and Municipal Employees; AFL-CIO; California Public Defenders Association; California Society of Pathologists; College of American Pathologists; Consumer Attorneys of California; County of Santa Clara
- **Opposition:** County of Riverside; California State Association of Counties; California State Sheriffs' Association; San Joaquin County Board of Supervisors

AB 1912 (Rodriguez) – Liabilities of Joint Powers Agreements (JPAs)

OPPOSE

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

AB 1912, by Assembly Member Freddie Rodriguez, would impose considerable new burdens and unworkable requirements on local and state agencies regarding JPAs. The bill attempts to address a circumstance – as recently happened with a JPA in Los Angeles County – when several government agencies form a joint powers authority (JPA), and the JPA dissolves or is otherwise unable to meet its pension obligations, resulting in reductions to retirees' pensions. This measure would apply retroactive as well as prospective joint and several liability for all retirement-related obligations to any current or former member of a JPA since inception. The County of Riverside joined a local government coalition in opposing this measure, pointing out both fiscal and practical problems with AB 1912.

- **Status:** The bill is on the Assembly Appropriations Committee Suspense File.
- **Support:** SEIU California (sponsor); Association of California State Supervisors; California Association of Professional Scientists; California State Retirees; LIUNA Local 792; Orange County Professional Firefighters Association, IAFF; Local 3631 Professional Engineers in California Government; Retired Public Employees Association
- **Opposition:** County of Riverside; California Association of Joint Powers Authority; California Contract Cities Association; California Special Districts Association; California State Association of Counties; City of Glendora; City of La Canada Flintridge; League of California Cities; Urban Counties of California

AB 3087 (Kalra) – Health Care Cost Containment Commission

OPPOSE

AB 3087, by Assembly Member Ash Kalra, would establish an independent Health Care Cost, Quality and Equity Commission. Premised on the belief that the high cost of health care is unsustainable, AB 3087 would require the state to set base payment amounts that hospitals, doctors, and other providers can collect from payers. The Commission would use Medicare rates as a floor for determining base amounts for providers and Medicare Advantage rates to set payments to health plans. Providers and health plans would be allowed to appeal for a higher amount based on outstanding factors. A coalition of labor organizations and consumer groups are co-sponsoring AB 3087. The Assembly Health Committee held a special order of business this week to discuss the measure. Despite many negative comments by most committee members, the measure passed out of committee on a party-line vote.

- **Status:** Set for hearing on May 23 in the Assembly Appropriations Committee.
- **Support:** California Labor Federation (cosponsor); Health Access California (cosponsor); SEIU California (cosponsor); UNITE HERE International Union (cosponsor); Western Center on Law and Poverty; and dozens of labor union and other groups
- **Opposition:** California Hospital Association; California Medical Association; and more than 200 other hospital and health systems and related associations

Various measures – Definition of Gravely Disabled/New Category of Conservatorship

PENDING

There are a number of measures before the Legislature from members representing various

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

regions of the state with an interest in revisiting the definition of "gravely disabled" under Welfare and Institutions Code 5150. The provisions of 5150 allow for involuntary holds of up to 72-hours for individuals who are deemed to be a danger to themselves or others. Given the potential for local impacts, we will be monitoring legislative activity in this arena and have provided below a list of measures that seek to make policy changes in this area. As expected, organizations including the American Civil Liberties Union and Disabilities Rights California have weighed in with opposition on those measures that expand the circumstances under which an involuntary hold (AB 1971) or a conservatorship (SB 1045) can be imposed



HURST+BROOKS+ESPINOSA

May 23, 2018

To: Brian Nestande, Deputy County Executive Officer
County of Riverside

From: Hurst Brooks Espinosa, LLC

Re: **May 2018 – State Legislative Update**

As we approach the end of May, the Legislature is dually occupied with legislative and state budget activities. This Friday, May 25, is the deadline for the Appropriations committees to make decisions on which fiscal bills introduced in 2018 move off the "suspense file" and continue through the legislative process. A short week later – on June 1 – all 2018 legislation must move out of the house of origin. Taken together, these two deadlines will considerably narrow the number of legislative measures the houses will be considering prior to the end of the 2018 legislative year that closes out on August 31.

On the state budget front, the two houses are working apace to wrap up budget subcommittee and full budget hearings in preparation for the Budget Conference Committee process expected to begin the week of May 28. At the time of this writing, the Senate is a few days ahead of the Assembly in terms of preparing its version of a state spending plan. The upper house wrapped up its May Revision hearings last Thursday, closing out most January and May Revision budget proposals. The full Senate budget committee met yesterday to hear final reports from each of the five budget subcommittees. The Assembly, on the other hand, is expected to hold budget subcommittee hearings through Thursday of this week. The two houses are, in many instances, approving disparate expenditures, which will have to be reconciled through the bicameral, bipartisan Budget Conference Committee process. While the Budget Conference Committee will begin meeting next week, we anticipate that the timing of the June 5 statewide primary will have ripple effects for the budget calendar. Regardless of other demands on members' calendars, the state Constitution requires that a final budget be delivered to the Governor on or before June 15, so there is much to be done in the weeks ahead to arrive at a negotiated state budget package.

2018-19 STATE BUDGET ITEMS

Below we provide an update on 2018-19 budget items of consequence that emanate from the Governor's January budget proposal, the May Revision, as well as legislative alternatives. Keep in mind that the Assembly budget subcommittees may take action on many of these items before the end of this week. We note where the County has weighed in on specific budget items.

Housing/Homelessness	The May Revision includes \$359 million in funding to assist local governments in addressing homelessness, including: funding for the Homeless Coordinating and Financing Council, additional funds for
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	<p>housing assistance for CalWORKs, the Home Safe pilot program, and a \$250 million Homeless Emergency Aid program for local agencies. The Senate approved a \$5 billion, 4-year package, including \$1 billion in revenue from SB 2 (2017), \$2.5 billion General Fund, and \$1.5 billion in Proposition 2 funds, focusing on the goals of increasing construction of affordable housing, providing long-term solutions to the homelessness crisis, and providing emergency funding to local governments to address immediate homelessness issues. The Senate also approved the Governor’s one-time augmentation of \$50 million for Homeless Mentally Ill Outreach and Treatment for multi-disciplinary teams to support intensive outreach, treatment and related services for homeless persons with mental illness and the \$15 million proposed in the May Revision for the Home Safe Program.</p> <p><i>Riverside County supports the homelessness investment package generally; the County is seeking to ensure an equitable allocation of funds for these programs.</i></p>
<p>Mandate Repayment</p>	<p>The May Revision proposes to provide \$282.2 million plus interest to local agencies for costs associated with repealed or expired mandates. The Senate and Assembly both approved the mandate repayments.</p> <p><i>Riverside County supports the mandate repayment.</i></p>
<p>Voting Systems Replacement</p>	<p>The Governor proposed \$134 million to assist counties in replacing outdated voting equipment. The Senate and Assembly both approved this proposal last week.</p> <p><i>Riverside County supports funding for voting system replacement.</i></p>
<p>Youth Reinvestment Fund/Reentry and Diversion</p>	<p>The Senate and Assembly previously considered but took no action on an Assembly Member Reggie Jones-Sawyer request to establish a \$100 million Youth Reinvestment Fund to provide additional reentry and diversion opportunities for young people. Last week, the Senate took action to approve a \$100 million allocation for these purposes, which vary slightly from Assembly Member Jones-Sawyer’s original request, as follows:</p> <ul style="list-style-type: none"> ▪ \$15 million to fund social workers in Public Defenders’ offices ▪ \$50 million to community-based organizations for reentry housing efforts ▪ \$35 million in grants for other diversion and reentry efforts ▪ Placeholder language to improve reentry outcomes and to divert low-level offenders from jail and prison
<p>Sustainable Rehabilitation for Youth Act</p>	<p>The Assembly considered but left open a probation chief-sponsored budget augmentation of \$30 million to provide grants to counties to adapt and repurpose juvenile detention facilities.</p>
<p>Incompetent to Stand Trial Diversion</p>	<p>The Senate and Assembly heard but took no action earlier in the year on the Governor’s January proposal to appropriate \$100 million to the Department of State Hospitals (DSH) for purposes of funding local diversion programs for those at-risk to becoming an Incompetent to</p>

	<p>Stand Trial (IST). The Senate took action last week to do the following, which departs in several significant ways from the Governor’s proposal:</p> <ul style="list-style-type: none"> ▪ Approve the \$100 million in DSH funding for IST diversion ▪ Require DSH to enter into an interagency agreement with the Mental Health Services Oversight and Accountability Commission (MHSOAC) ▪ Require applicant counties to make use of all available county allocations of MHSA (Prop 63) funds ▪ Require DSH and MHSOAC approval of all county IST diversion programs, under an expedited process ▪ Establish a shared savings program for counties receiving IST diversion programs (modeled after probation incentive funding set forth in SB 678, 2009) <p><i>Riverside County supports the Governor’s IST diversion proposal.</i></p>
County Law Libraries	<p>The Senate approved a one-time General Fund appropriation of \$16.5 million to address shortfalls in county law library funding. The Assembly heard this item previously and took no action.</p>
Supportive Housing for Mentally Ill Parolees	<p>The Senate approved a one-time allocation of \$5 million to fund supportive housing for parolees with mental health issues as they transition into the community; the accompanying policy bill is <u>SB 1010</u> (Beall). CDCR would be required to enter into agreements with participating counties.</p>
ID Cards for Juveniles Exiting State Youth Detention Facilities	<p>The Senate approved a request to authorize the Division of Juvenile Justice (DJJ) to obtain California ID cards issued by the DMV to youthful offenders as they are discharged from a state youth detention facility.</p>
Juvenile Justice Reforms	<p>The Senate approved the Governor’s January juvenile justice reforms regarding age of DJJ jurisdiction and implementation of a five-year pilot project for providing youthful offenders otherwise subject to custody in an adult prison with rehabilitative services at a DJJ facility.</p>
STC Training Funds	<p>The Senate and Assembly approved the Governor’s May Revision proposal to maintain current-year funding levels (\$17.3 million) for Standards and Training for Corrections and to shift the funding source to the General Fund for greater stability.</p>
Juvenile Justice Data Collection	<p>The Senate took action to adopt placeholder language to begin the process of updating and modernizing the Juvenile Court and Probation Statistical System (JCPSS), which resides at the Department of Justice and is broadly viewed as woefully outdated. Under this proposal, state and local officials as well as other stakeholders would be required to submit a plan by March 1, 2019 for upgrading and replacing the JCPSS. The Assembly heard this item previously on an informational basis.</p>
Appellate Court Justice	<p>The Senate approved funding for an additional appellate court justice and associated staff for the division of the 4th appellate district serving the Inland Empire.</p> <p><i>Riverside County supports funding for the appellate court justice position.</i></p>
Crime Labs	<p>Both subcommittees approved a May Revision proposal to provide a one-time augmentation to the Department of Justice for replacing critical</p>

	laboratory equipment and to backfill for continuing declines in DNA identification funds.
340B Drug Discount Program	The Senate rejected the proposal to eliminate the use of the 340B program in Medi-Cal and encouraged the Administration to work with stakeholders “to find a solution to the duplicate rebates problem that mitigates or eliminates these negative impacts.” <i>Riverside County opposes the elimination of the 340B program.</i>
Graduate Medical Education	The Senate approved the Governor’s \$55 million to support psychiatric graduate medical education (GME) programs serving the Health Professional Shortage Areas or Medically Underserved Areas in rural portions of the state. <i>Riverside County supports the GME proposal.</i>
Health Care	The Senate adopted several notable proposals on health care, including: <ul style="list-style-type: none"> ▪ <i>Expand Medi-Cal to Undocumented Adults.</i> Approved \$75 million in 2018-19 and \$150 million annually thereafter to expand Medi-Cal eligibility to income-eligible individuals over age 65 regardless of immigration status, beginning on January 1, 2019. The Assembly took action on May 7 to expand Medi-Cal to young adults, ages 19-25, so this item will be in Conference Committee. ▪ <i>Expand Medi-Cal for Seniors and Persons with Disabilities.</i> Approved a proposal to expand eligibility for Medi-Cal’s aged and disabled program up to 138 percent of the FPL, beginning January 1, 2019 (\$30 million General Fund full year cost). The Assembly took action to fund this item on May 7. ▪ <i>Restoration of Optional Medi-Cal Benefits.</i> Adopted language and funding to accelerate the restoration of optional benefits on January 1, 2019 (rather than January 1, 2020). (Cost: \$16.6 million in 2018-19 and \$41.4 million annually thereafter). ▪ <i>Same Day Mental Health Services at Federally Qualified Health Centers (FQHCs) and (Rural Health Centers (RHCs).</i> Adopted language to allow FQHCs and RHCs to be reimbursed separately for mental health services provided on the same day as medical services (\$3 million in 2018-19 and \$1.5 million annually thereafter). ▪ <i>Black Infant Health Program.</i> Expanded the Black Infant Health Program’s scope to fund local programs that combine social interventions with medical interventions and other wrap-around services. Provided \$15 million General Fund annually. ▪ <i>Sunset Extension for Needle Exchange Programs.</i> The Senate adopted placeholder trailer bill language to eliminate January 1, 2019 sunset date for needle exchange programs. ▪ <i>Lead Certification Program.</i> Augmented special fund expenditure authority in the Lead Certification Program by \$75,000 annually and adopted placeholder to allow DPH to augment the lead

	<p>certification fee by up to \$12 to fund additional staff to improve certification processing time to no more than 60 days.</p>
<p>Proposition 56</p>	<p>The Senate allocated unspent Proposition 56 tobacco tax revenue as follows:</p> <ul style="list-style-type: none"> ▪ \$427 million unallocated in 2018-19 (Ongoing) <ul style="list-style-type: none"> • \$300 million for supplemental payments for pediatric primary care providers codes to be reimbursed at Medicare rates, consistent with the primary care rate increase provided pursuant to the federal Affordable Care Act. • \$45 million for supplemental payments for pediatric specialty providers. • \$30 million for supplemental payments to dental providers that treat children with special needs. • \$40 million for supplemental payments for adult dental preventive treatment. • \$4 million for supplemental payments for pediatric day health centers. • \$4 million for supplemental payments to pediatric subacute facilities. • \$4 million for supplemental payments for breast pumps provided by Medi-Cal. ▪ \$294 million unallocated in 2017-18 (One-time) <ul style="list-style-type: none"> • \$150 million for workforce development programs, including but not limited to, loan repayments, for physicians who agree to provide a significant portion of their services for Medi-Cal beneficiaries. • \$144 million for a provider incentive payment program to cover fixed costs, provide supplemental reimbursements or other incentives to providers who serve Medi-Cal beneficiaries in rural or high poverty urban areas with a demonstrated shortage of access to providers. ▪ Direct DHCS to apply for federal approval for all supplemental payment programs for a two-year period, with the funding provided by the two-year appropriation of the Healthcare Treatment Fund item.
<p>Substance Use Disorder Treatment</p>	<p>The Senate adopted two proposals aimed at increasing access to SUD treatment: 1) expanding Screening, Brief Intervention, Referral, and Treatment (SBIRT) services in Medi-Cal to detect use of opioids and other drugs (\$2.6 million), and 2) creating a statewide pilot program that places a certified drug and alcohol counselor in each of the approximately 400 Emergency Departments throughout California (\$20 million General Fund annually).</p>
<p>Poverty Investments</p>	<p>The Senate adopted a package of budget augmentations to bolster anti-poverty programs, including the creation of a safety net reserve to buffer</p>

	<p>Medi-Cal and CalWORKs during an economic downturn when program enrollment typically increases. The Senate also increased CalWORKs grants to keep children out of deep poverty, which is defined as below 50 percent of the Federal Poverty Level (the related policy bill is <u>SB 982</u>, Mitchell). The action would raise the maximum aid payment from \$714 to \$1,046 for a family of three by 2021-22 and is estimated at \$400 million in 2018-19, growing to \$1.5 billion by 2021-22. Additionally, the Senate included adjustments for inflation in the SSI/SSP and CalWORKs programs beginning January 1, 2019 and annually thereafter, using the California Necessities Index (CNI) as the inflation factor. Finally, the Senate took action to end the State Supplemental Income (SSI) Cash-Out, allow all SSI recipients to apply for CalFresh benefits, and hold harmless those households that would see either a loss or reduction of benefits due to this policy change, either currently in the program or in the future. (\$60 million in 2018-19 and \$120 million ongoing for a hold harmless).</p>
<p>Child Support</p>	<p>The Senate increased funding for underfunded county child support agencies, including providing \$17.9 million of General Fund in 2018-19; \$28.4 million General Fund in 2019-20; \$38.8 million General Fund in 2020-21; and \$4.8 million additional General Fund in each of the three years. They also adopted language to create a new methodology based on a ratio based of cases per FTE position to determine each Local Child Support Agency's allocation. The language also directs local agencies and the Administration to work together over the 2018-2019 budget year to develop additional program improvements or improvements to the methodology.</p> <p><i>Riverside County supports the child support investment.</i></p>
<p>County Administration of HHS Programs</p>	<ul style="list-style-type: none"> ▪ <i>In-Home Supportive Services (IHSS).</i> The May Revision provided additional administrative funding for IHSS because of a new methodology developed between the state and counties. However, the methodology did not use actual worker costs. The Senate approved the amount provided in the May Revision and increased it by \$1,000; the Subcommittee also directed the Department of Finance to work with county and labor partners in refining the amount needed to fully fund social workers. ▪ <i>Continuum of Care Reform.</i> The counties (CWDA and CSAC) requested an additional \$49.1 million above the May Revision for CCR workload. The Senate provided an additional \$25 million for unfunded county workload. ▪ <i>CalWORKs Single Allocation.</i> Although the May Revision provides a \$55 million augmentation for the Eligibility component of the Single Allocation as a result of the new budget methodology, there is an additional reduction to the Employment Services component due to caseload declines. The result is that the May Revision on net only provides an additional \$30.8 million compared to the January budget, which still results in an overall reduction of \$23.6 million to the Single

	<p>Allocation in 2018-19 when compared to the current year. The Senate provided an additional \$10 million General Fund for Employment Services in 2018-19.</p> <p><i>Riverside County supports fully funding the CalWORKs Single Allocation.</i></p>
Senior Program Investments	<p>The Senate provided additional funding for the Long-Term Care Ombudsman Program (\$2.3 million for local programs) and for the Multipurpose Senior Services Program (\$4.6 million).</p>
Cap and Trade	<p>The Governor released his proposed expenditure plan for cap-and-trade funds on January 26. It proposes to spend \$1.25 billion in available cap-and-trade auction revenues across four main initiatives: Zero-Emission Vehicle Investment Initiative; Sequestration and Resilience Initiative; California Integrated Climate Investment Program; and California Climate Change Technology and Solutions Initiative. The Senate approved a modified cap-and-trade expenditure plan that incorporates additional revenues from recent auctions and estimates from the LAO of several hundred million dollars. The Assembly is scheduled to take action on cap-and-trade this week.</p> <p><i>Riverside County supports additional funding for the Transformative Climate Communities program, improved equity in allocation of funding, and a modified definition of disadvantaged communities to allow for a broader geographic reach of funds.</i></p>
County Assessors' Grant Program	<p>The Governor's budget includes \$5 million for a three-year pilot program to provide funding for county assessors' offices to hire new assessment staff and improve IT systems to more accurately value existing property and expeditiously enroll new properties. The grants would be provided to counties with a \$750,000 maximum amount and a county match of \$1 to \$2 of state funding. The Senate and Assembly have approved this item.</p> <p><i>Riverside County supports funding for assessors' offices.</i></p>

COUNTY-SPONSORED LEGISLATION

On behalf of the County of Riverside, HBE has been working on four County-sponsored measures, as detailed below.

AB 1946 (Cervantes) – Elder and dependent adult trafficking

AB 1946, by Assembly Member Sabrina Cervantes, is intended to address a problem in Riverside County of elder and dependent trafficking. A troubling practice has been identified among certain community care facilities where an elderly or dependent adult is released from a hospital setting into a licensed care facility, only to be moved to an unlicensed facility (run by same provider) that is offering substandard care. In collaboration with a small working group of County, City of Riverside, and Department of Justice stakeholders, we have been working for months to identify a tailored, constructive approach that would provide the necessary tools to either disincentivize this business practice or to make it outright illegal. However, despite pursuing several legislative approaches to achieving either outcome, each proposed solution encountered substantive legal hurdles or significant opposition. In consultation with the author's office, a decision was made to put the bill on hold this year to allow more time for development

of a solution that will secure legislative approval. We will continue to collaborate with the working group of experts, as well as interested stakeholders, to craft a legislative approach for 2019.

- **Status:** As noted in the April update, AB 1946 will not be moving forward this year.
- **Support:** County of Riverside (sponsor)
- **Opposition:** None known.

AB 2137 (Mayes) – Increase to no-bid contracting threshold for Riverside County Regional Parks and Open Space District

This measure would increase from \$25,000 to \$50,000 the no-bid threshold for the Riverside County Regional Park and Open Space District. Previous legislative efforts made this same change for the East Bay Regional Park District, the Midpeninsula Regional Open Space District, and the Sonoma County Agricultural Preservation and Open Space District. Previous legislative measures in this area appear to have been non-controversial.

- **Status:** AB 2137 received unanimous support throughout its passage in the Assembly. It now awaits hearing in the Senate Governance and Finance Committee.
- **Support:** County of Riverside (sponsor); California Special Districts Association; East Bay Regional Park District.
- **Opposition:** None known; previous efforts for other districts did not attract opposition.

AB 2821 (Mayes) – Integrated Health and Human Services System

AB 2821, by Assembly Member Chad Mayes, would authorize the County of Riverside – upon approval of the Board of Supervisors – to operate an integrated and comprehensive county health and human services system. The Counties of San Diego and Placer Counties already have this authority. AB 2821 would provide the county with the statutory authority for an integrated health and human services system. The County of Riverside would have the authority as an integrated agency to: 1) maintain and evaluate a system of administration that integrates and coordinates the management and support of client services; and 2) maintain a system of reporting and accountability that provides for the combined provision of services without the loss of state or federal funds provided under current law. Further, the measure would give the county flexibility to move funds between health and human services subaccounts within the 2011 Realignment funding structure. The Brown Administration has reached out and indicated an interest in working with Riverside County to expand the provisions in AB 2821 to all counties. HBE is working with Assembly Member Mayes' office and the California Health and Human Services Agency on this development, which would be executed in the Senate.

- **Status:** Awaits action on the Assembly Floor.
- **Support:** County of Riverside (sponsor).
- **Opposition:** None known.

AB 3007 (E. Garcia) – Services for Children of Incarcerated Parents (CIP)

Riverside County has designed a program to deliver a comprehensive set of services meant to boost the resiliency factors and reduce the likelihood of future involvement in the criminal justice system of children whose parents are currently or formerly incarcerated. This bill would authorize the program in the County of Riverside and specify program elements and expected outcomes. At the time of this writing, we are working with the author's office to draft technical amendments to address concerns

raised by the state Department of Social Services about the potential for duplication of services with the foster care population, among other issues.

- **Status:** AB 3007 passed out of the Assembly with no “no” votes and is now set for hearing in the Senate Human Services Committee on June 12. It has also been referred to the Senate Health Committee.
- **Support:** County of Riverside (sponsor); California Immigrant Policy Center
- **Opposition:** None known.

TWO-YEAR BILLS

On the County’s behalf, we have engaged in several two-year measures that have carried over from the 2017 legislative year. We provide a status update below.

AB 1250 (Jones-Sawyer) – County Contracting Out Authority

OPPOSE

As of the time of this writing, there are no new developments to report on AB 1250, a measure that proposed to considerably restrict county governments’ ability to contract out for personal services. The County of Riverside – along with virtually every other county, other statewide county associations, and a significant swath of the non-profit community, among others – opposed the bill in 2017. The bill remains stalled in the Senate Rules Committee, where it has been parked since September of last year, and there are no signals that any movement is planned. It is worth noting that AB 3224 (Thurmond) touches on somewhat related issues. This latter measure seeks to codify existing federal law and county practice with respect to requiring eligibility determinations for Medi-Cal, CalWORKs, and CalFresh be done by county employees. Our analysis indicates that AB 3224 would not impose new requirements or unduly burden counties; CSAC has taken a neutral position on the bill. We continue to monitor keep the County well informed about developments with AB 1250, AB 3224, and any similar legislative measures that may arise this year.

- **Status:** AB 1250 remains in the Senate Rules Committee; AB 3224 is awaiting hearing in the Senate Human Services Committee.
- **Support (AB 1250):** SEIU and AFSCME (co-sponsors), along with a number of other employee organizations
- **Opposition (AB 1250):** County of Riverside; CSAC; Urban Counties of California; Rural County Representatives of California; Howard Jarvis Taxpayers Association; Retailers Association; American Planning Association, California Chapter; California Business Properties Association; California Chamber of Commerce; dozens of additional individual counties; and hundreds of non-profit organizations and service providers

SB 38 (Roth)/AB 2446 (Oberholte) – Judgeship Funding

SUPPORT

Addressing the shortage of judicial resources – both at the trial court and appellate court level – in Riverside County has been a priority for the Board of Supervisors; the magnitude of judgeships shortfall is significant and well-documented. In 2007, 50 trial court judgeships were authorized by the Legislature (AB 159) but have yet to be funded. In its introduced version, SB 38 did the following: 1) authorized and funded one appellate court justice in the 4th District, Division Two (hearing appeals from the Riverside and San Bernardino Superior Courts) and 2) funded 10 of the 50 previously authorized trial court judgeships. SB 38 was taken up by the Senate Judiciary Committee and passed unanimously earlier this month. However, the Senate Appropriations Committee stripped out the appropriations from the bill

before passing it out of its committee. The sole provision that remains in the bill is the language to statutorily create the appellate court justice. It should be noted that Assembly Member Jay Obernolte – who represents the similarly impacted San Bernardino County – introduced AB 2446, which is nearly identical to SB 38 in its introduced form. The County also is supporting AB 2446. Assembly Member Obernolte has put forward a state budget request, which remains open. At this point, it seems unlikely that the final state budget will include funding for the 10 trial court judgeships, although – as noted above – funding to establish one new appellate court justice in Division Two of the Fourth Appellate District (located in Riverside and serving the Counties of Riverside and San Bernardino) seems more promising.

- **Status:** SB 38 is awaiting hearing in the Assembly Judiciary Committee; AB 2446 is on the Assembly Appropriations Committee Suspense File.
- **Support:** SB 38 – Judicial Council (sponsor), County of Riverside, California Judges Association, Greater Riverside Chambers of Commerce
AB 2446 – County of Riverside, California Judges Association, County of San Bernardino, Judicial Council of California
- **Opposition:** None

AB 862 (Maienschein) – Pay for Success Programs

SUPPORT

The County of Riverside is supporting Assembly Member Brian Maienschein's effort to authorize and provide \$5 million in funding to support three additional counties' participation in a pay-for-success (PFS) program. AB 1837 (Atkins, 2014) authorized an initial PFS program administered by the Board of State and Community Corrections; three counties successfully competed for the funds and are currently implementing programs that focus on reducing recidivism among a targeted group of the adult criminal justice population. AB 862 would create a pay-for-success funding option for which Riverside County could compete; it is viewed as an opportunity to seek financial support for the County's efforts to establish a program to deliver wrap-around services to reduce risk factors and develop resiliency among children whose parents are incarcerated. The bill now clarifies that the PFS programs authorized under AB 862 are separate and apart from those that were previously authorized in AB 1837.

- **Status:** AB 862 is awaiting hearing in the Senate Appropriations Committee.
- **Support:** Sacramento Regional Builders Exchange (sponsor); County of Riverside; Californians for Safety and Justice; Federation of California Builders Exchanges; Bay Area Builders Exchange; Central California Builders Exchange; Valley Contractors Exchange
- **Opposition:** None known.

ADDITIONAL LEGISLATION OF INTEREST

AB 3157 (Bonta and Lackey) – Cannabis taxation

SUPPORT

AB 3157, by Assembly Members Rob Bonta and Tom Lackey, would temporarily lower California's total tax on cannabis by decreasing the cannabis excise tax from 15% to 11% and suspending the cultivation tax for three years. According to the authors, this short-term tax reduction would encourage cannabis operators and consumers to enter the legal market and curtail the underground cannabis market. In accordance with the County platform that supports a lower total tax on cannabis, the County supports this measure.

- **Status:** AB 3157 is now on the Assembly Appropriations Committee Suspense File.

- **Support:** County of Riverside; Board of Equalization Member Fiona Ma, 2nd District; California Asian Pacific Chamber of Commerce; California Cannabis Delivery Alliance; California Growers Association; California NORML; California Teamsters; Cannabis Distribution Association; CMG/Caliva Cultivation Technologies; Flow Kana River Collective; Southern California Coalition; WeDrop; Monterey County Board of Supervisors
- **Opposition:** None known.

SB 1043 (Newman) – County Veterans Services Offices

SUPPORT

SB 1043 by Senator Josh Newman would, beginning in the 2018-19 fiscal year, continuously appropriate \$7 million to California counties to fund the activities of County Veterans Services Offices (CVSOs). In accordance with the County platform that seeks to secure full funding of CVSOs, the County supports this measure.

- **Status:** SB 1043 is on the Senate Appropriations Committee Suspense File.
- **Support:** California Association of County Veterans Service Officers (sponsor); County of Riverside; American GI Forum of California American Legion-Department of California; AMVETS-Department of California; California State Commanders Veterans Council; Cities of Blythe and Indian Wells; Military Officers Association of America-California Council of Chapters; Rural County Representatives of California (RCRC); Sacramento County; Vietnam Veterans of America-California State Council
- **Opposition:** None

AB 2598 (Quirk) and SB 1416 (McGuire) – Code Enforcement

SUPPORT

In accordance with the platform supporting expansion of tools to assist in code enforcement compliance, the County has taken support positions on two measures in this policy area. AB 2598, by Assembly Member Bill Quirk, would increase the fine amount cities and counties may assess for violations of building and safety codes; it would further create a new fine for specified violations on commercial property. Secondly, SB 1416, by Senator Mike McGuire, would authorize, until January 1, 2024, cities and counties to collect fines related to the nuisance abatement using a lien or special assessment; it would also require any recovered fines or penalties related to these provisions to be used for supporting local enforcement of state and local building and fire code standards.

- **Status:** AB 2598 is awaiting hearing in the Senate Governance and Finance Committee. SB 1416 is in the Assembly awaiting assignment to a policy committee.
- **Support:** **AB 2598** – League of California Cities and California Association of Code Enforcement Officers (co-sponsors)
SB 1416 – County of Riverside; California Building Officials (CALBO); California Business Properties Association.
- **Opposition:** **AB 2598** – American Civil Liberties Union of California; East Bay Community Law Center; Lawyers' Committee for Civil Rights of the San Francisco Bay Area; Legal Services for Prisoners with Children; and Western Center on Law and Poverty
SB 1416 – None known.

SB 1004 (Wiener) – MHSA: Prevention and Early Intervention

OPPOSE UNLESS AMENDED

SB 1004, by Senator Wiener, would establish priorities for the use of Mental Health Services Act prevention and early intervention (PEI) funds and develop a statewide strategy for monitoring the

implementation of PEI programs. Riverside County sent an oppose unless amended letter raising concerns that 1) the bill is too narrowly crafted in terms of the types of programs and specific areas of focus for PEI funding; 2) the PEI plan approval process in the bill would result in delays and undermine local investments. The County requests that 1) the bill be amended to include broader categories of PEI programming and 2) the PEI plan approval process provision be deleted from the bill. HBE has been working with the author's office; there are additional amendments expected to be made to the bill on the Senate floor that directly address Riverside County's concerns. HBE anticipates removing Riverside's concerns once the amendments are in print.

- **Status:** SB 1004 is on the Senate Appropriations Committee Suspense File.
- **Support:** Steinberg Institute (sponsor); California Hospital Association; California Medical Association; California State Student Association; California State University; Disability Rights California; National Center for Youth Law; Children Now; Juvenile Court Judges of California; JERICO; Children's Defense Fund-California; California Association of Veteran Service Agencies; Californians for Safety and Justice; American Foundation for Suicide Prevention; Jed Foundation; America's Physician Groups; One Mind
- **Opposition:** County Behavioral Health Directors Association of California

SB 1303 (Pan) – Office of the County Medical Examiner

OPPOSE

SB 1303, by Senator Richard Pan, would require counties with a population of more than 500,000 that operate a consolidated sheriff-coroner office – which includes the County of Riverside – to abolish the office of the coroner and establish an independent office of the medical examiner. Some counties have already opted to establish the Office of the Medical Examiner. The County of Riverside opposes this measure given that, under current law, counties have clear and unfettered authority to create a separate office of the medical examiner. Indeed, several jurisdictions have done so. SB 1303 would – irrespective of the current circumstances in a given county and without regard to a jurisdiction's capacity to assume new and likely substantial costs associated with operating the office of the medical examiner – eliminate the local boards of supervisors' authority in making an important local governance decision.

- **Status:** SB 1303 is on the Senate Appropriations Committee Suspense File.
- **Support:** California Medical Association (sponsor); American Federation of State, County and Municipal Employees; AFL-CIO; California Public Defenders Association; California Society of Pathologists; College of American Pathologists; Consumer Attorneys of California; County of Santa Clara
- **Opposition:** County of Riverside; California State Association of Counties; California State Sheriffs' Association; San Joaquin County Board of Supervisors

AB 1912 (Rodriguez) – Liabilities of Joint Powers Agreements (JPAs)

OPPOSE

AB 1912, by Assembly Member Freddie Rodriguez, would impose considerable new burdens and unworkable requirements on local and state agencies regarding JPAs. The bill attempts to address a circumstance – as recently happened with a JPA in Los Angeles County – when several government agencies form a joint powers authority (JPA), and the JPA dissolves or is otherwise unable to meet its pension obligations, resulting in reductions to retirees' pensions. This measure would apply retroactive as well as prospective joint and several liability for all retirement-related obligations to any current or

former member of a JPA since inception. The County of Riverside joined a local government coalition in opposing this measure, pointing out both fiscal and practical problems with AB 1912.

- **Status:** The bill is on the Assembly Appropriations Committee Suspense File.
- **Support:** SEIU California (sponsor); Association of California State Supervisors; California Association of Professional Scientists; California State Retirees; LIUNA Local 792; Orange County Professional Firefighters Association, IAFF; Local 3631 Professional Engineers in California Government; Retired Public Employees Association
- **Opposition:** County of Riverside; California Association of Joint Powers Authority; California Contract Cities Association; California Special Districts Association; California State Association of Counties; City of Glendora; City of La Canada Flintridge; League of California Cities; Urban Counties of California

AB 3087 (Kalra) – Health Care Cost Containment Commission

OPPOSE

AB 3087, by Assembly Member Ash Kalra, would establish an independent Health Care Cost, Quality and Equity Commission. Premised on the belief that the high cost of health care is unsustainable, AB 3087 would require the state to set base payment amounts that hospitals, doctors, and other providers can collect from payers. The Commission would use Medicare rates as a floor for determining base amounts for providers and Medicare Advantage rates to set payments to health plans. Providers and health plans would be allowed to appeal for a higher amount based on outstanding factors. A coalition of labor organizations and consumer groups are co-sponsoring AB 3087. The Assembly Health Committee held a special order of business this week to discuss the measure. Despite many negative comments by most committee members, the measure passed out of committee on a party-line vote.

- **Status:** Set for hearing on May 23 in the Assembly Appropriations Committee.
- **Support:** California Labor Federation (cosponsor); Health Access California (cosponsor); SEIU California (cosponsor); UNITE HERE International Union (cosponsor); Western Center on Law and Poverty; and dozens of labor union and other groups
- **Opposition:** California Hospital Association; California Medical Association; and more than 200 other hospital and health systems and related associations

Various measures – Definition of Gravely Disabled/New Category of Conservatorship

PENDING

There are a number of measures before the Legislature from members representing various regions of the state with an interest in revisiting the definition of “gravely disabled” under Welfare and Institutions Code 5150. The provisions of 5150 allow for involuntary holds of up to 72-hours for individuals who are deemed to be a danger to themselves or others. Given the potential for local impacts, we will be monitoring legislative activity in this arena and have provided below a list of measures that seek to make policy changes in this area. As expected, organizations including the American Civil Liberties Union and Disabilities Rights California have weighed in with opposition on those measures that expand the circumstances under which an involuntary hold (AB 1971) or a conservatorship (SB 1045) can be imposed.

<p>AB 1971 (Santiago (D-Los Angeles), Chen (R-Diamond Bar), and Friedman (D-Glendale))</p>	<p>Would expand the definition of gravely disabled to include individuals who, as a result of a mental health disorder or chronic alcoholism, is unable to provide for his or her medical treatment. This measure is sponsored by the County of Los Angeles. The Urban Counties of California has taken up the</p>
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	<p>measure a number of times to consider a formal position, but action has been deferred; CSAC does not have a position on the measure. <i>Currently on the Assembly Appropriations Committee Suspense File.</i></p>
<p><u>AB 2099</u> (Gloria, D-San Diego)</p>	<p>Would allow facilities to treat a copy of the document detailing the circumstances of a 5150 hold as an original for specified purposes and under specified circumstances. Under current law, 5150 paperwork with an original signature must accompany the patient as he or she moves through the associated referral/transfer to a 5150 facility. Some patients who are not in possession of the original paperwork have been refused services and treatment. This measure would facilitate access to treatment for those placed on a 5150 hold who have digital, faxed, or other duplicate versions of the otherwise required paperwork. This measure is sponsored by the American College of Emergency Physicians (California Chapter). <i>Awaiting action on the Assembly Floor.</i></p>
<p><u>SB 1045</u> (Wiener, D-San Francisco)</p>	<p>Would create a new category of conservatorship for a person who is chronically homeless and incapable of caring for his or her own health and well-being due to acute and severe mental illness or a severe substance abuse disorder, as evidenced by specified circumstances. As amended on May 1, the bill authorizes two specific jurisdictions – the County of Los Angeles as well as the City and County of San Francisco – to opt-in to make use of the provisions in SB 1045. <i>Currently on the Senate Appropriations Committee Suspense File.</i></p>

Finally, we have attached a status report of all active bills in the legislative process where the County has weighed in, but does not include measures HBE is actively monitoring where the Board has taken no official position. We will continue to track legislative activity and communicate with the CEO's Office regarding legislative measures on which the County may wish to engage. Please do not hesitate to contact us with any questions on these or other topics of interest. Thank you.