

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
Kristina Gallagher

RE: 2018 October Update

DATE: October 30, 2018

The second year of the two-year Legislative Session concluded on August 31st, and the Legislators are now in their districts for Fall Recess in order to concentrate on the November election. The 2019 Legislature will be sworn-in the first week of December 2018, when the Legislature will reconvene for an organization session. The Governor has acted upon every piece of the 2018 legislation that reached his desk in September, vetoing approximately sixteen percent of the legislation that went across his desk.

The County had a successful legislative year this year with legislative highlights that include:

- AB 1775 (Muratsuchi)/SB 834 (Jackson) Successfully supported AB 1775 and SB 834, which prohibits the State Lands Commission (SLC) or a local trustee from entering into any new lease authorizing new construction of oil-and-gas-related infrastructure upon tidelands and submerged lands within state waters associated with Pacific Outer Continental Shelf (POCS).
- AB 1965 (Limon) Successfully supported AB 1965 by Assemblymember Limon, which creates a local assistance grant program to improve fire prevention in California and ensure that fire prevention activities happen year-round.
- SB 212 (Jackson) Successfully supported SB 212, which requires entities that sell drugs or sharps in the state to individually, or with other entities, develop and implement a statewide home-generated drug stewardship plan.
- SB 588 (Hertzberg) Successfully opposed SB 588, which did not move out of the Assembly and would have substantially revised the existing state rigs-to-reefs program that allows for the partial removal of oil and gas platforms in state or federal waters.
- SB 821 (Jackson) Successfully supported SB 821, which allows a county to enter into an agreement to access the contact information of resident account holders through the records of a public utility or other agencies, for a property address for the sole purpose of enrolling county residents in a county operated public emergency warning system. Governmental Advocates is working closely with the County and the author's office on implementation of this legislation.

- SB 901 (Dodd) Successfully worked with CSAC and the author's office to remove any language in the bill that would make a change to inverse condemnation in the bill, and supported the legislation in its final form.
- SB 917 (Jackson) Supported SB 917, which provides that if loss or damage results from a combination of perils, one of which is a landslide, mudslide, mudflow, or debris flow, an insurer shall provide coverage if an insured peril is the efficient proximate cause of the loss or damage and coverage would otherwise be provided for the insured peril.
- SB 1459 (Cannella) Successfully supported SB 1459, which establishes a provisional cannabis license that may be issued at the sole discretion of a licensing authority, as specified, until January 1, 2020.

CPUC

On August 1st the California Public Utilities Commission issued the original Proposed Decision (PD) on "exit fees" which is when Community Choice customers are charged for power that was purchased by private utilities on their behalf before they left to become Community Choice agency (CCA) customers. The decision was tied to an ongoing proceeding on the Power Cost Indifference Adjustment (PCIA), that is charged to electricity customers who get their electricity from an entity other than a traditional investor-owned utility (IOU). The PD would have reformed the amount that Community Choice Aggregation and Direct Access customers pay in order to keep remaining utility customers financially unaffected by their departure.

The PCIA is intended to keep all customers on equal footing in terms of IOU costs incurred to buy power for the customers before they left the IOU for another provider. This is because the CPUC historically has required IOUs to sign long-term contracts for power to stimulate a market for renewable energy. When the customer leaves the IOU, the IOU is left holding the cost of power already incurred on the department customer's behalf, therefore the IOUs and non-IOU electricity providers sharply disagree over how the PCIA should be calculated.

On August 14th, Commissioner Carla J. Peterman issued an alternate proposal (APD). The PD excluded legacy utility-owned generation from cost recovery from Community Choice Aggregators. It also retained a 10-year limit on PCIA cost recovery for post-2002 utility-owned generation and certain storage costs, and it established a PCIA collar, with an upper cap starting at 2.2 cents/kilowatt-hour and a lower floor of 0 cents/kilowatt-hour.

The APD from Commissioner Peterman differed from the PD in four main areas:

- The APD finds that legacy utility-owned generation (UOG) is PCIA eligible and should be recovered from Community Choice Aggregator customers.
- The APD terminates the 10-year limit on PCIA cost recovery for post-2002 UOG and certain storage costs.
- The APD establishes a PCIA collar starting in 2020, with the cap limiting upward or downward changes in the PCIA to 25 percent in either direction from the prior year.

- For 2019 Energy Resource Recovery Account (ERRA) forecasts only, the APD adopts the Platt's Portfolio Content Category 1 REC index value for the Market Price Benchmark's (MPB) RPS Adder.

On October 11th, the California Public Utilities Commission held the final public hearing on the power charge which was originally held over from September. The CPUC had a long discussion on the revision and consideration of alternatives to the power charge. After Commissioner Peterman's report on the APD, all the commissioners weighed in on the importance of the PCIA reform and how can the Commission facilitate the choice to make the costs fair for every utility. After the discussion was complete, all the commissioners ultimately voted to approve the revised APD, with Commissioner Clifford Rechtschaffen voting yes, but reserved his right to file.

Flood Control

On October 24th, Senator Hannah-Beth Jackson along with David Kingston, U.S. Army Corps of Engineers - Los Angeles District, Jeff Toney, Governor's Office of Emergency Services and Jon Frye of Santa Barbara County Flood Control among others, marked the 2018 California Flood Preparedness Week at the Santa Barbara County Office of Emergency Services. The Flood Preparedness Week 2018 helped to educate Californians on flood risk after wildfires.

As stated by the California Department of Water Resources, 2018 has been the most destructive fire year in California history – firefighters battled nearly 7,000 wildfires that scorched more than 1.5 million acres of land. California will feel the devastation of these fires for years to come. With the rainy season upon us, communities downslope of burn areas are at an increased risk of life-threatening flash flooding, mudflows, and debris flows. The Senator continued to state that, "Deadly debris flow of January 9, 2018 that destroyed property and caused multiple deaths in Santa Barbara County stands as a stark reminder that flooding can occur anytime and anywhere...and communities living downslope from hills charred by wildfire are significantly at risk for flash flooding, mudflows and debris flows."

Temporary Cannabis Licenses

As previously mentioned, there was a need to extend the deadline for temporary cannabis licenses at the state level was a last-minute issue in the Legislature. CSAC addressed this issue with the Legislature and the Administration and created a proposal amending into SB 1459 (Cannella), which allows state licensing agencies to issue provisional commercial cannabis licenses to businesses that are working their way through the licensing process at the state and local level.

The bill allows counties additional time to review pending commercial cannabis applications at the local level and complete the environmental review process. The time frame for this provisional annual license would only last for one year until January 2020. In the final week of session SB 1459 (Cannella) managed to pass both the Assembly and Senate Business and Professions Committee as well as both Houses of the Legislature. The bill was signed and chaptered into law on September 27th.

California Climate Investments Organics Grant Program

On June 19th, CalRecycle held a public meeting at CalEPA where they stated awards for the California Climate Investments Organics Grant Program (Greenhouse Gas Reduction Fund). Governmental Advocates, along with CSAC testified in strong support for the recommended \$4,000,000 in grant funds awards to the Santa Barbara County Public Works Department to develop an Anaerobic Digestion Facility at the County-owned and operated Tajiguas Landfill.

This project will be the single largest reducer of greenhouse gases for the Santa Barbara community and as such is vital for the jurisdictions to achieve the goals set out in their climate actions plans. This facility is expected to process over 80% of the organics that are currently landfilled into biogas. The digestate will be composted on the site, and the biogas will be used to generate electricity as per an agreement in place with Southern California Edison. This project has been over a decade in the making and during this time has increased in importance for the County. The grant awards were officially approved and signed by the Director of CalRecycle on July 2nd.

2018-19 State Budget

The Governor's January 2018-19 Budget proposed \$131.7 billion in state General Fund expenditures. The May Revise which was released on May 11, 2018, reflected the receipt of \$8 billion in higher revenues through 2018-19 compared to the January Budget.

On June 8th, Legislative Leadership along with the Administration announced that they reached a budget agreement for the 2018-19 state budget. On June 14th, the Legislature sent their \$138.6 billion General Fund budget package to the Governor along with 22 budget trailer bills. On June 27th, the Governor signed a \$201 billion state 2018-19 budget without any veto on the items in the budget.

Some key highlights specific to the County in the State Budget include:

Property Tax Backfill

When the Governor proposed his January Budget, the budget included only \$23.7 million in backfill for northern counties for lost property taxes resulting from the October 2017 fires. The January budget did not include the Santa Barbara County because the Thomas Fire which affected the County began in December of 2017, with massive flooding and mudslides that began January 2018.

We worked closely with the Governor's Office and the Department of Finance to include the property tax backfill for the County in the May Revise, which contained property tax backfill for Santa Barbara County and other Southern California Counties that were affected by the Thomas Fire. Specifically, we secured \$2.62 million that was added for FY 17-18 and \$5.64 million in property tax backfill for FY 18-19 for the Santa Barbara County. The final June Budget included \$32.8 million General Fund to backfill the property tax revenue losses that cities, counties, and special districts will incur in 2017-18 and 2018-19 due to the 2017 wildfires and resulting mudslides in California.

Debris Removal Cost Share Waiver

The May Revision originally included \$29.1 million General Fund to waive the local match for only Northern California counties' costs of debris removal but did not include Southern California counties. We were successful in adding the waiver for debris removal that equates to \$3.2 million for the County in the final budget. We worked closely with the State Department of Finance, the Governor's office and the Budget Conference Committee to include debris removal cost share waiver before the state budget concluded. The total for Southern California was \$5.5 million, which was based on CalOES' latest estimates.

Elimination of the 340B Program – Rejected

The Governor's January 2018-19 budget proposal eliminated the use of the 340B Drug Pricing Program in Medi-Cal. The federal program entitles eligible healthcare providers to discounts on outpatient prescription drugs. The elimination of the program would have directly affected the County because it could reduce revenues in the County's Public Health Department by \$5 million to \$6 million, effective July 1, 2019, and would have negatively impacted the County's health care safety net. The May Revision maintained the Administration's proposal to prohibit the use of federal 340B Drug Pricing Program reimbursements within the Medi-Cal program beginning July 1, 2019, to prevent duplicate discounts and overpayments, and reduce drug rebate disputes. The Administration estimated this proposal would have resulted in \$16.6 million General Fund savings annually beginning in 2020-21. This was a huge concern for the County since the 340B Program provides significant benefits to the Santa Barbara County Public Health Department and the patients served. Both houses of the Legislature rejected the Governor's proposal to discontinue the state's administration of the federal Medicaid 340B Discount Drug Pricing program.

Incompetent to Stand Trial (IST)

The budget agreement included \$100 million over three years for counties to enter into contracts with the Department of State Hospitals (DSH) to provide mental health treatment and wraparound services.

In an underlying budget change proposal, a total of \$99.5 million was proposed for counties and would be primarily target the fifteen counties with the highest referrals of felony ISTs to DSH: Alameda, Contra Costa, Fresno, Kern, Los Angeles, Riverside, Sacramento, San Bernardino, San Diego, San Joaquin, Santa Barbara, Santa Clara, Solano, Sonoma, and Stanislaus, with up to \$8.5 million of the funding available for other counties.

AB 1810 (Budget Committee) was a health trailer bill that was chaptered into law. This bill created a new diversion program for mentally ill offenders provided certain requirements are met, including the availability of a treatment program for the offender. There were several concerns raised by counties about the fact that this program applies to all offenses, as well as concerns about the procedural aspects of the program. To begin to address these issues, Senate Bill 215 was amended to:

- Exclude certain offenses from the diversion program (including murder and sex offenses)
- Allow the court to require the defendant to make a prima facie showing that the defendant will meet the minimum requirements of eligibility for diversion and that the defendant and the offense are suitable for diversion; and
- Preserve victim restitution.

SB 215 (Beall) was in response to the DA's concerns, although it was not everything that they wanted. We anticipate the district attorneys will come in with more changes this coming year.

Risk-Based Pretrial Assessment and Supervision System

SB 10 (Hertzberg) This bill creates a risk-based non-monetary pre-arraignment and pretrial release system for people arrested for criminal offenses including preventative detention procedures for person's determined to be too high a risk to assure public safety if released. The bill was chaptered into law on August 28th.

SB 10 was originally written in order to remove California's money bail system, which the original proponents argued was unfair to the poor since people with money for bail could be released from detention, while people who couldn't afford to post bail would remain in jail.

The original proponents of the bill were the criminal justice reform advocates like public defenders and the ACLU, but at the last minute of session the bill was amended to replace California's money bail system that would possibly expand preventative detention and keep people in jail even longer before trial.

Assembly amended the bill in order to let local courts create their own systems to decide who can or can't be released. Those systems can't impose monetary conditions for release, but it could possibly lead to situations in which local prejudices favor and disfavor the same people as under the current system.

On September 21st, the Judicial Council heard a report on how the judicial branch will help implement Senate Bill 10 (Hertzberg). Beginning to be effective on October 1, 2019, the law changes California's pretrial release procedures from a money-based system to a risk-based release and detention system that considers defendants' risk to public safety and their likelihood to return to court. The presentation reviewed the details of SB 10 and highlighted specific requirements placed on the council. Among other duties, the council will maintain a list of risk assessment tools for use by the courts, provide training on the use of those assessment tools, adopt new rules of court and forms, and submit annual reports on the new pretrial process to the Legislature. At the end of the presentation, Chief Justice Tani Cantil-Sakauye announced she will create a new pretrial reform implementation workgroup. The workgroup will provide guidance and expertise to Judicial Council staff assigned to work on SB 10 implementation requirements. It will serve as a clearinghouse where stakeholders can discuss issues and propose ideas on improving the pretrial process.

After Governor Brown signed the bill into law, bail associations filed a voter referendum to attempt to block it. The American Bail Coalition, along with bail lobbying and crime victims groups, have about three months to submit to the secretary of state the estimated 366,000 signatures needed to qualify the referendum for the November 2020 ballot.

Qualified Ballot Initiatives

Proposition 1

Authorizes Bonds to Fund Specified Housing Assistance Programs.

The ballot measure would give the state permission to borrow \$4 billion to fund affordable housing construction and rental and home loan subsidies. The money would be used to build and renovate rentals, to offer home loan assistance to vets, to construct additional housing in dense urban areas and near public transit, to offer down payment assistance and other aid to low- and moderate-income homebuyers and to provide loans and grants for agricultural workforce housing development.

Proposition 2

Authorizes Bonds to Fund Existing Housing Program for Individuals with Mental Illness.

The ballot measure would give the state permission to borrow \$2 billion to fund supportive housing for those suffering with mental illness. That debt would be repaid with money previously set aside for county-run mental health services.

Proposition 3

Authorizes Bonds to Fund Projects for Water Supply and Quality, Watershed, Fish, Wildlife, Water Conveyance, and Groundwater Sustainability and Storage.

The ballot measure would give the state permission to borrow \$8.9 billion to fund watershed protection, water supply improvements including wastewater treatment, habitat restoration, groundwater management, flood protection projects, as well as upgrades and repairs to traditional water infrastructure, like canals and dams.

Proposition 4

Authorizes Bonds Funding Construction at Hospitals Providing Children's Health Care.

The ballot measure would give the state permission to borrow \$1.5 billion to fund renovations, expansions, and upgrades at hospitals that treat children. Most of the funding is reserved for the state's eight private non-profit children's hospitals and the five hospitals run through one of the University of California campuses.

Proposition 5

Changes Requirements for Certain Property Owners to Transfer their Property Tax Base to Replacement Property.

The ballot measure would allow older or disabled homeowners to take a portion of their lowered property tax base with them if they sell their home and move. Ever since voters passed Proposition 13 in 1978, property taxes have been calculated based on a home's purchase price, rather than its current market value, which has kept property tax bills low for longtime homeowners despite high real estate prices. The proponents of the ballot claim this discourages people from moving, since property tax assessments are usually reset when you buy a new home.

Proposition 6

Eliminates Certain Road Repair and Transportation Funding. Requires Certain Fuel Taxes and Vehicle Fees be Approved by The Electorate.

The ballot measure would repeal a recent increase in the gas tax and other fuel and car fees and require voter approval for all transportation-related tax increases in the future. Taxes to be rolled back include a 12-cent hike in the gasoline excise tax, a 4 percent increase in the diesel sales tax, as well as a new annual vehicle fee based on the value of the car or truck.

Proposition 7

Conforms California Daylight Saving Time to Federal Law. Allows Legislature to Change Daylight Saving Time Period.

The ballot measure would repeal the 1949 law that created Daylight Savings Time. If passed, the Legislature would then be able to pass a law with a two-thirds majority eliminating the biannual tradition of moving clocks backward and forward every spring and fall.

Proposition 8

Regulates Amounts Outpatient Kidney Dialysis Clinics Charge for Dialysis Treatment.

The ballot measure would require companies operating dialysis clinics to payback any profits over 15 percent of qualifying business costs. Payments would be made to insurance companies.

Proposition 9

On July 18, 2018, Proposition 9 was removed from the ballot by order of the California Supreme Court. The ballot would have required the state to petition Congress to divide the state of California into three states: California, Northern California, and Southern California.

The state unanimous order stated that Proposition 9 was removed "because significant questions have been raised regarding the proposition's validity and because we conclude that the potential harm in permitting the measure to remain on the ballot outweighs the potential harm in delaying the proposition to a future election."

Proposition 10

Expands Local Governments' Authority to Enact Rent Control on Residential Property.

The ballot measure would allow cities to introduce new restrictions on market rents or expand existing rent control policies.

Proposition 11

Requires Private-Sector Emergency Ambulance Employees to Remain On-Call During Work Breaks. Eliminates Certain Employer Liability.

The ballot measure would continue to allow private ambulance services to require their emergency medical service employees to remain on call during meal and rest breaks. Also guarantees technicians additional training and some paid medical health services.

Proposition 12

Establishes New Standards for Confinement of Specified Farm Animals; Bans Sale of Noncomplying Products.

The ballot measure would place specific size requirements on the coops and cages used to contain breeding pigs, veal calves, and egg-laying hens. It would also require all egg-laying hens be raised in specified “cage-free” conditions by 2022. California businesses would be prohibited from selling any food products that come from animals not raised in compliance with this law, even if they come from out of state.

November Gubernatorial Election

November elections will determine the makeup of the Legislature and a new governor who will be sworn in on January 7, 2019. The California’s race for Governor includes current Lieutenant Governor Gavin Newsom (D) versus businessman John Cox (R). The two candidates have substantially different views on health care, taxes and the environment. Depending on who wins, opposing policy implications will be highly likely and will affect the County in different ways.

Cannabis

In June 2017, California Governor Jerry Brown signed into law the Medicinal and Adult-Use Cannabis Regulation and Safety Act (MAUCRSA), which creates one regulatory system for both medicinal and adult-use cannabis. Under MAUCRSA, the California Department of Food and Agriculture (CDFA) was designated as the state agency responsible for issuing licenses to commercial cannabis cultivators in California. CDFA’s emergency regulations were released on November 17, 2017. CalCannabis began issuing state cannabis cultivation licenses on January 1, 2018 and is currently accepting applications for temporary and annual cannabis cultivation licenses for cultivators, nurseries and processors.

On June 6, 2018, the California Department of Food and Agriculture (CDFA) readopted emergency regulations for cannabis cultivation licensing in the state of California. The emergency regulations are effective for 180 days, and during this time CDFA must propose and adopt permanent regulations. CDFA released the proposed permanent regulations for cannabis cultivation licensing on July 13, 2018, which starts the formal rulemaking process and initiates the official 45-day public comment period. The proposed permanent regulations include changes from CDFA’s current emergency regulations based on public comments and further analysis by CDFA. The last public hearing was held in August. The licensing authorities will review each comment received and will respond to all comments in documents filed during the final stages of the rulemaking process.

On October 19th, the California Department of Food and Agriculture posted the proposed permanent regulations. The proposed changes were in response to comments received during the notice of proposed rulemaking that closed on August 27th, and the regulatory hearings that took place from July through August. The Department will accept written comments on the proposed permanent regulation between October 19th-November 5th.

Discussion surrounding banking the cannabis industry will likely remain a priority for the California Legislature next year. SB 930 (Hertzberg) would have helped mitigate several of the problems resulting from cannabis businesses' access to banking services. SB 930 (Hertzberg) was held on the Assembly Appropriations Committee Suspense File on August 8th and is now dead. The bill would have created limited purpose charter banks and credit unions licensed and regulated by the Department of Business Oversight (DBO), and would have authorized the limited purpose banks and credit unions to provide depository services and issue special checks to cannabis-related businesses, it would have also authorized the limited purpose banks and credit unions to obtain private depository insurance, as authorized by the DBO, in lieu of FDIC insurance, and would have created an oversight Board with the State Treasurer, Controller and the Chief of the Bureau of Cannabis Control as members and the Director of the Department of Finance as an ex-officio member. We expect this issue to come up again next year.

Assemblymember Jones-Sawyer's AJR 28, a measure that urges the Congress and the President to pass legislation that would allow financial institutions to provide services to the cannabis industry, was chaptered into law on June 14th.

SB 1459 (Cannella) was gutted and amended on August 24th to establish a provisional cannabis license that may be issued at the sole discretion of a licensing authority, as specified, until January 1, 2020. The bill was signed by the Governor and chaptered on September 27th.

Bills and Budget Proposals of Interest to the County

AB 334 (Cooper) Federal VAWA legislation passed in 2011 mandated the provision of free sexual assault forensic medical exams for patient/victims who do not want to cooperate with law enforcement agencies. The original California statute passed in 1977 mandating that local law enforcement agencies pay for sexual assault exams was amended after 35 years to comply with VAWA. The amended statute specified that law enforcement agencies could be reimbursed \$300 by Cal OES out of their State VAWA appropriation for exams involving the non-cooperative patient/victim. The bill never moved out of the Senate Policy Committee therefore is now dead. The County was in support of the bill.

AB 427 (Muratsuchi) The bill would have enacted the California Aerospace and Aviation Act of 2018, which establishes the 17-member California Aerospace and Aviation Commission (Commission) for the purpose of serving as a central point of contact for related industries and supporting the health and competitiveness of these industries in California. The County was in support of this bill. The bill went to the Governor's Desk but was vetoed on September 23rd with a statement that said, "While the value of the aviation and aerospace industry is critical to the economy of this state, this bill would create a new bureaucracy that replicates many of the things

the state is already doing. I think the goals of this bill can be easily handled under current law by the Governor's Office of Business and Economic Development.”

AB 626 (Garcia) The bill establishes “microenterprise home kitchens (MHKs)” as a new category of retail food facility. AB 626 expands California’s cottage food laws that currently allow the sale of non-potentially hazardous foods, such as baked goods, jams and vinegars, to include potentially hazardous foods, such as meats, poultry and fish. The County was opposed to this bill. The bill was chaptered on September 18th.

AB 653 (Ridley-Thomas) On June 21st the bill was gutted and amended to authorize nonprofit hospitals in Santa Barbara County to enter into joint powers agreements with a public agency. This authority is intended to allow Santa Barbara Cottage Hospital and Lompoc Healthcare District to form a partnership for the purposes of opening primary and specialty care clinics in underserved parts of the region. This bill was sponsored by the Lompoc Healthcare District and was carried by Assemblymember Jordan Cunningham. The bill was signed by the Governor on September 23rd. The County did not take a position on the bill.

AB 726 (Holden) The legislation would have created a freeze on any new forming Community Choice Aggregation (CCA) organizations and restricted the ability to expand existing Community Choice Energy (CCE) programs. The County of Santa Barbara was opposed to AB 726 unless CalCCA’s amendments were adopted. AB 726 became a two-year bill and did not move since 2017. The bill is now dead.

AB 813 (Holden) was gutted and amended on March 8, 2018 and amended lastly on August 24th. This bill would have established a pathway for the California Independent System Operator (CAISO) to transform its governance structure to operate as a multistate regional transmission system organization should certain requirements be met. The bill didn’t affect the County, therefore we monitored it in case of any amendments that would affect the County. The bill did not pass out of the Senate Appropriations Committee Suspense File and therefore is now dead.

AB 1250 (Jones-Sawyer) The County was in strong opposition to the bill. The bill would have created specific conditions and requirements that would apply when a county enters into a new contract or renews or extends an existing contract, and would have specified the conditions that must be met in order to permit a personal services contract. The Chair of the Senate Appropriations Committee claimed that there needs to be more negotiations on the bill. The bill was held in the Senate Rules Committee and became a two-year bill. There was no action on the bill since 2017. The bill is now dead.

AB 1775 (Muratsuchi) The Santa Barbara County Board of Supervisors approved a resolution opposing new offshore oil and gas leases in Federal waters off of the California Coast. The bill prohibits the State Lands Commission (SLC) or a local trustee from entering into any new lease authorizing new construction of oil-and-gas-related infrastructure upon tidelands and submerged lands within state waters associated with Pacific Outer Continental Shelf (POCS) leases issued after January 1, 2018. The bill was signed by the Governor on September 8th.

AB 1956 (Limon) The bill creates a local assistance grant program to improve fire prevention in California and ensure that fire prevention activities happen year-round. Specifically, the bill

requires Department of Forestry and Fire Protection (CalFIRE) to establish a local assistance grant program for fire prevention activities in and nearby fire threatened communities. The bill will require local agencies, resource conservation districts, fire safety councils, the California Conservation Corps, certified local conservation corps, University of California (UC) Cooperative Extension, Native American tribes, and qualified nonprofit organizations to all be eligible for grants. The bill also authorizes, until January 1, 2024, for CalFIRE to make advanced payments for local assistance grants of up to 25% of the total grant award. The Board of Supervisor's adopted a 2018 Legislative Platform that supports efforts to generate new intergovernmental revenues. The bill was signed by the Governor on September 21st. The County was in support.

The County also supported Assemblymember Limon's request for the appropriation for the local assistance grant program in the State Budget. The program would intend to ensure that there is both a state and community based robust fire prevention effort. \$10M was approved in the State Budget to CalFire for "community-based fire prevention work."

AB 2534 (Limon) The bill would have established the Outdoor Equity Grant Funding Program, at the Department of Parks and Recreation, to increase the ability of underserved and at-risk populations to participate in outdoor environmental educational experiences at state parks and other public lands where these activities take place. The bill creates two sub-accounts for ensuring that public, private and nonprofit funds are solely used to facilitate coastal access at Hollister Ranch in Santa Barbra County, which was originally approved in 1982. Any future action would be dependent on legislative appropriation. The Governor vetoed the bill on September 30th stating that, "Although this program could have been completed over three decades ago, it was not and it is now outdated. Before raising any money, as envisioned in this bill, the relevant state agencies should be required to work together to craft a sensible and fiscally responsible plan." The County did not have a position on this bill.

AB 3194 (Daly) The bill will require cities and counties, under existing planning and zoning law, to prepare and adopt a general plan, including a housing element, to guide the future growth of a community. The housing element shall consist of an identification and analysis of existing and projected housing needs and a statement of goals, policies, objectives, financial resources and scheduled programs for the preservation, improvement, and development of housing. CSAC went neutral on this legislation. The County remained in opposition. The bill was chaptered into law on August 28th.

AB 3248 (Committee on Judiciary) This bill was a conversion from SB 1511. The Santa Barbara County Department of Child Support Services' recommended clarifying amendments that are listed in section 7643 of the Family Code. This language is most helpful in establishing parentage and enforcing child support orders by providing better access to the local departments of child support services. The content of the bill was previously in SB 1511, which was converted into AB 3248. The bill was signed by the Governor on September 18th.

SB 212 (Jackson) This bill requires entities that sell drugs or sharps in the state to individually, or with other entities, develop and implement a statewide home-generated drug stewardship plan, or a home-generated sharps waste stewardship plan, or both for the collection and proper disposal of home-generated drug and sharps waste. This bill was signed and chaptered on September 30th. The County is in support of this bill.

SB 237 (Hertzberg) This bill will direct the California Public Utilities Commission (CPUC) to make changes to the existing direct access (DA) service program, which authorizes direct energy transactions between electricity suppliers and retail end-use customers. Among the proposed changes is a requirement to increase the annual maximum allowable limit of the DA service program by 4,000 gigawatt hour (GWH) for non-residential customers. This bill also directs the CPUC to provide recommendations to the Legislature, with specified findings, on the adoption and implementation of a second direct service transactions reopening schedule. The County was opposed to this bill. The bill was signed by the Governor on September 20th.

SB 349 (Lara) This bill was completely gutted and amended on August 24th. This two-year bill would have required minimum staffing ratios for dialysis clinics and a minimum transition time between dialysis patients, as follows, commencing January 1, 2020. The bill was on the inactive file since last year but was heavily amended to codify and specify that judicial officers have the power to prevent activities that threaten access to state courthouses and court proceedings, and to prevent interruption of judicial administration, including protecting the privilege from civil arrest at courthouses and court proceedings. The bill was vetoed by the Governor on September 27th. The County did not take a position on the final version of the bill.

SB 588 (Hertzberg) This bill would have substantially revised the existing state rigs-to-reefs program that allows for the partial removal of oil and gas platforms in state or federal waters if the remaining portion is converted into an artificial reef and certain conditions are met. The bill passed the Assembly Water, Parks and Wildlife Committee on June 29, 2017 with a 12-2 vote, and then was referred to the Assembly Natural Resources Committee but didn't meet the policy deadline, and became a two-year bill. The bill was amended on May 7, 2018 and would continue to exclude the removal of drilling muds and shell mounds as well as limiting the criteria used to determine full versus partial removal is likely to result in increased risks to public health and safety. The bill was set to be heard in the Assembly Natural Resources Committee on June 25th but the hearing was cancelled at the request of the author. The bill never moved out of the Assembly Policy Committee therefore is now dead.

SB 821 (Jackson) The bill allows a county to enter into an agreement to access the contact information of resident account holders through the records of a public utility or other agencies, for a property address for the sole purpose of enrolling county residents in a county operated public emergency warning system. This bill specifies that any county that enters into an agreement pursuant to this bill is required to include procedures to enable any resident to opt-out of the warning system, and a process to terminate the receiving agency's access to the contact information of the resident. The bill was signed by the Governor on September 21st. The County was in support of this bill.

SB 827 (Wiener) The bill would have required the County to grant housing development projects, in key transit corridors, a "bonus" by exempting the project from certain local development requirements such as density, maximum floor area, parking requirements and height restrictions. This would have effectively negated development standards for housing along the State Street/Hollister Avenue transit corridor as well as in already crowded Isla Vista. On April 17th, the bill died in the Senate Transportation and Housing Committee with a 4-6 vote and therefore is now dead. The County was in opposition to the bill.

SB 828 (Weiner) This bill would make several changes to the regional housing needs allocation (RHNA) process. The recent amendments delete the requirement for a city's or county's inventory of land suitable for residential development to meet 125% of its RHNA requirement; delete the requirement for a city or county, if its inventory is not sufficient to meet 125% of its RHNA requirement, to identify zoning and other actions it will take to accommodate the unmet portion; authorize, rather than require, HCD, in determining the RHNA, to grant allowances to adjust for specified factors; and delete a requirement for the final allocation plan to assign additional weight to jurisdictions that meet specified criteria related to job centers and transit availability. CSAC went neutral on the legislation. The County remained in opposition. This bill was signed and chaptered on September 30th.

SB 833 (McGuire) This bill will require the Office of Emergency Services (OES), in consultation with specified stakeholders, to develop voluntary guidelines for alerting and warning the public of an emergency and requires OES to develop an alert and warning training. The County originally had a support if amended position on this bill. The bill was signed by the Governor on September 21st.

SB 834 (Jackson) The Santa Barbara County Board of Supervisors approved a resolution opposing new offshore oil and gas leases in Federal waters off of the California Coast. Senate Bill 834 would bar the State Lands Commission (commission) or a local trustee of public trust lands from entering into any new lease or conveyance to authorize new construction of oil- and gas-related infrastructure upon state tide and submerged lands associated with federal Pacific Outer Continental Shelf leases issued after January 1, 2018. The bill was signed by the Governor on September 8th. The County was in support of the bill.

SB 914 (Dodd) This bill expands the tools counties have to plan and deliver infrastructure projects by extending construction manager at-risk (CMAR) authority to other types of infrastructure projects beyond buildings. The bill was chaptered into law on July 16th. The County was in support of this bill.

SB 917 (Jackson) This bill provides that if loss or damage results from a combination of perils, one of which is a landslide, mudslide, mudflow, or debris flow, an insurer shall provide coverage if an insured peril is the efficient proximate cause of the loss or damage and coverage would otherwise be provided for the insured peril. The bill provides that this is declaratory of existing law. The bill was signed by the Governor on September 21st. The County supported the bill.

SB 933 (Allen) The bill would have established the Arts for Every Student Incentive Grant Program, to be administered by the California Department of Education (CDE), to encourage and maintain the delivery of high-quality visual and performing arts education programs. This bill would have required funding from the Budget Act. SB 933 (Allen) passed the Assembly Floor with a 75-3 vote, and was concurred in the Senate, but was vetoed by the Governor on September 23rd. The Governor stated, "Nurturing creativity is certainly one of the most important responsibilities of teachers and local schools. But under our philosophy of local control, this is a matter best handled by individuals at the school level, not at state headquarters." Meanwhile, \$41 million is still in the budget that is eligible for both visual and performing arts education programs and school health centers. The County was in support of both the budget proposal and the bill.

SB 1026 (Jackson) The bill would have repealed statutes that establish the Senior Housing Information and Support Center and the Program for Injury Prevention, and required the California Department of Aging (CDA) to develop materials on aging in place, and instead establish the Dignity at Home and Fall Prevention Program and require CDA to provide grants to area agencies on aging (AAAs) for injury prevention services, as specified. The bill passed the Senate Floor on consent, and then passed the Assembly Aging and Long-Term Care Committee with a 6-0 vote, but was held in the Assembly Appropriations Committee Suspense File, therefore the bill is now dead. The County was in support of the bill.

SB 1088 (Dodd) – This bill would have required each electrical corporation or gas corporation (IOU), to submit a safety, reliability, and resiliency plan to the California Public Utilities Commission (CPUC) every two years, requires the CPUC to approve the submitted plan within 18 months and authorize recovery of the costs of implementing the plan through rates. Additionally, this bill prohibits an electrical IOU from delegating, transferring, or contracting out any of its distribution safety or reliability performance obligations, and also required the Office of Emergency Services (OES) to adopt standards for reducing risks from a major event and requires the office to update the standards at least once every two years. The bill passed the Senate Floor with a 34-2 vote, and then passed the Assembly Utilities and Energy Committee 8-2. The bill was sent to the Assembly Rules Committee but never moved out of the Senate Policy Committee process therefore is now dead. The County was in support of the bill.

SB 1090 (Monning) The bill will require the California Public Utilities Commission (CPUC) to approve collection of ratepayer funds for previously denied elements of a Pacific Gas and Electric Company (PG&E) application related to the retirement of the Diablo Canyon Nuclear Power Plant. The bill was signed by the Governor on September 19th. The County was in support of the bill.

SB 1333 (Wieckowski) As amended on August 24th, the bill applies specified provisions in the Government Code pertaining to local planning and zoning requirements to charter cities, it would specify that specified provisions of the Planning and Zoning Law regarding general plans, specific plans, and the adoption and review of housing elements apply to charter cities. The County became neutral on the bill. This bill was signed and chaptered on September 27th.

SB 1331 (Jackson) Although the County does not have a position on this bill, this bill is supported by the County's District Attorney's office. This bill requires the Commission on Peace Officer Standards and Training (POST) to include procedures and techniques for assessing signs of lethal violence in domestic violence situations in the existing training course for law enforcement officers in the handling of domestic violence complaints. The bill passed Assembly Floor and was chaptered into law on July 18th.

SB 1459 (Cannella) This bill allows the California cannabis licensing authorities, (the Department of Food and Agriculture (CDFA), Department of Public Health (DPH), and the Bureau of Cannabis Control (BCC), to issue a provisional license for commercial cannabis activity if specified conditions are met, most notably, that the applicant has submitted application for a license, permit, or other authorization. This bill was signed and chaptered on September 27th. The County is in support of the legislation.

Conclusion

The County had a successful year in 2018, including securing critical state funding in response to the wildfire and flood disasters that hit the County. The January Budget included only \$23.7 million in backfill to northern counties for lost property taxes resulting from the October 2017 fires, and did not include Southern California because the Thomas Fire began in December of 2017, with massive flooding and mudslides in the County which began in January 2018. We worked closely with the Governor's Office and the Department of Finance to include the property tax backfill for the County in the May Revision, which contained property tax backfill for Santa Barbara County and other Southern California Counties that were affected by the Thomas Fire. Specifically, we secured \$2.62 million that was added for FY 17-18 and \$5.64 million in property tax backfill for FY 18-19 for the Santa Barbara County.

Along with the property tax backfill, we were successful in adding the waiver for debris removal for the County of Santa Barbara that equates to \$3.2 million for the County in the final budget. The May Revision originally only included \$29.1 million General Fund to waive the local match for only Northern California counties' costs of debris removal but did not include Southern California counties. We worked closely with the State Department of Finance, the Governor's office as well as the Budget Conference Committee to include the debris removal cost share waiver before the state budget was complete in June.

The County was also successful in supporting the passage of many critical pieces of legislation on wildfire prevention and legislation from the County's delegation. The new Legislature will reconvene on December 3, 2018 for an organization session to start the 2019-20 Legislative Session. Governmental Advocates is planning on visiting the County on December 11th to discuss priorities for 2019, which we look forward then to discuss ideas for legislation for the 2019-20 Legislative Session.

As always, we will continue to work with staff and keep the committee and Board updated. Should you or your staff have any questions, please don't hesitate to let us know.