

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
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RE: 2019 February Update

DATE: February 25, 2019

Governor Gavin Newsom gave his first state of the state address on February 12th. The Governor emphasized on the statewide homelessness crisis, stating that, “While cities and counties are on the front lines, this challenge will only be solved regionally. We need to work together as a state to focus on prevention, rapid rehousing, mental health, and more permanent supportive housing because while shelter solves sleep, only permanent supportive housing solves homelessness.”

In his state of the state address, the Governor appointed Sacramento City Mayor Darrell Steinberg to lead the new Commission on Homelessness and Supportive Housing. CSAC has written a letter to the Administration, thanking the Governor’s commitment to help local governments combat the homelessness crisis and respectfully requested that the Administration continues to collaborate with counties by including county representatives on the new Commission. The Administration is currently in the process of accepting applications for appointments.

The Governor also spoke about the housing shortage in California, and that many cities and counties aren’t planning on building, which is why he provided \$750 million for a major new incentive package for communities. The funding breaks down into \$250 million to support cities and counties to update their housing plans and revamp their zoning process, and \$500 million more in grants when they achieve those milestones.

The Senate Budget and Finance Committee held an informational hearing on affordable housing and homelessness on February 21st. The hearing included speakers from the Legislative Analyst’s Office (LAO), the Department of Finance (DOF), Department of Housing and Community Development, as well as local representatives. LAO mentioned that California’s housing shortage was the principal driver of high housing costs, and that it would take approximately twice the amount of housing that is currently being built per year to be built just in order to keep up with California’s growing population. The main concern for CSAC and of concern to the County of Santa Barbara is the January Budget’s suggestion of linking transportation funds from SB 1 to affordable housing construction. The Department of Finance stated that although the Governor is committed to revamp the RHNA goals, he wants to make sure that the goals make sense and are achievable by local governments, and confirmed that the link to transportation funding will not be made this year but at the end of the entire process, which will be a very collaborative effort with the local governments.

The deadline for bill introductions was on February 22, 2019, with most bills introduced the last week of the legislative deadline. The County is continuing to review all the newly introduced legislation and is working with staff on specifying which bills could be of possible interest to the County. Since bills cannot be heard in policy committees until they have been 30 days in print, policy committees are just beginning to meet and will pick-up over the next several weeks with the last day for policy committees to hear fiscal bills in their house of origin will be on April 26th.

IHSS – Changes to AB 85 Formula

While the Governor proposed positive revisions to IHSS MOE that are estimated to increase State General Fund costs for IHSS, starting at \$241.7 million in 2019-20 and growing to \$547.3 million in 2022-23, Santa Barbara along with Stanislaus, Sacramento, Placer, and Yolo County have concerns on the change to the AB 85 formula, to pay for the IHSS proposal that the Governor put out.

The Governor's budget proposal would redirect an additional \$2.1 million dollars from the County's core Public Health services. The proposed budget is based on an inaccurate premise that county costs will decrease because of the proposed Medi-Cal expansion to cover more indigents. Although in fact, any savings will be nominal and would not offset the redirection of realignment as proposed. The County has submitted the County Public Health Department's fact sheet to our delegation and CSAC that outlines the serious impacts of the budget proposal which would include reduction to our Communicable Disease programs, reduction in Public Health Laboratory testing and analysis, reduction in Health Education and Promotion activities, reduction in programs targeted to support those with Adverse Childhood Experiences or are victims of human trafficking, and the loss of the ability to leverage these state funds with federal financial participation. The County is working with CSAC on this issue and meeting with the Department of Finance and our Delegation on February 27th.

Emergency Response

On February 13th, the Governor signed AB 72 (Ting) and AB 73 (Ting). AB 72 (Ting) makes a budget augmentation to the 2018 budget to take an early action on items related to emergency and disaster events and make it easier for the state to reimburse counties for disaster-related costs. AB 73 (Ting) contains an updated provision to disaster response language adopted in the 2018 Budget Conference Committee agreement that provides the Director of Finance financial flexibility in emergency response situations. This legislation was fast tracked through the legislature and will provide property tax backfills to counties and other local agencies for fire-related property losses and provide additional funding to modernize the 9-1-1 system and to assist with emergency preparedness outreach.

On February 14th, CSAC held its Disaster Recovery Summit and Roundtable Discussion in Sacramento. The summit hosted several top state officials including Cal OES Director Mark Ghilarducci, Cal FIRE Deputy Chief of Communication Mike Mohler, Department of Finance Program Budget Manager Amy Jarvis, CalRecycle Director Scott Smithline and FEMA Region

IX Regional Administrator Bob Fenton. The meeting allowed counties to share experiences and listen to state leaders on state accomplishments, challenges and ongoing recovery efforts.

The Assembly Budget Subcommittee No. 5 on Public Safety will be holding an informational hearing on the Office of Emergency Services' Role in Disaster Response and Relief Efforts on February 25th. Panelists will include the Legislative Analyst's Office, CalOES Director Ghilarducci, Ray Riordan, President of the California Emergency Services Association and Director of the City of San Jose's Office of Emergency Management and the Holly Porter, Director of the County of San Diego Office of Emergency Services.

State Budget

Governor Gavin Newsom submitted his 2019-20 "California for All" budget proposal to the Legislature on January 10th which proposed \$144 billion in state General Fund expenditures. The total proposal, including money earmarked for special purpose funds tops \$209 billion, which is \$8 billion more than former Governor Jerry Brown's final budget. The Legislature will begin the budget sub-committee process beginning in March.

Highlights include:

Investments in Emergency Readiness, Response and Recovery

The Budget proposes to support counties devastated by the November 2018 wildfires by backfilling wildfire-related property tax losses and waiving the local share of cost for debris removal. The budget also includes:

- \$200 million General Fund to augment CAL FIRE's firefighting capabilities, adding 13 additional year-round engines, replacing Vietnam War-era helicopters, deploying new large air tankers, and investing in technology and data analytics that will support CAL FIRE's incident command in developing more effective initial fire suppression strategies.
- Continues \$25 million General Fund ongoing for pre-positioning local government fire engines to support the state's critical mutual aid system.
- \$60 million General Fund one-time to jump-start upgrades to the 911 system, including an overhaul to the existing fee that will sustainably fund a modern, reliable system.
- \$16.3 million General Fund to finish the build-out of the California Earthquake Early Warning System. To help local governments and individuals be more prepared for emergencies,
- \$50 million General Fund one-time for local grants and to immediately begin a comprehensive, statewide education campaign on disaster preparedness and safety.
- \$213 million pursuant to SB 901 (Chapters 626, 2018), the wildfire prevention and recovery legislation. These funds would be used for fuels reduction, prescribed burns, illegal fireworks disposal, and to streamline regulatory barriers for fuels reduction project. This is the first investment out of a total of \$1 billion over the next five years for fire prevention and forest management activities.
- \$59.5 million from the General Fund over five years for OES to develop and implement the California Interoperable Public Safety Radio System, which would allow various agencies the ability to communicate with each other seamlessly, improve radio coverage

to clients whose radio systems are geographically limited, and leverage and link to existing state and regional digital radio systems.

Incompetent to Stand Trial (IST)

The Department of State Hospitals (DSH) continues to experience a significant number of IST commitments—the number of ISTs pending placement into the state hospital was more than 800 individuals in December 2018. The budget proposal includes funding to expand DSH beds, but also includes \$12.3 million to allow DSH to contract up to 74 additional jail-based competency restoration treatment beds through the county jail treatment programs.

In-Home Supportive Services

The In-Home Supportive Services (IHSS) program provides assistance and services to eligible older or disabled individuals to help them remain safely in their homes. For 2019-20, the Governor's January budget proposal includes \$12.7 billion for IHSS, of which \$4.3 billion is from the General Fund. This is a 15.2 percent increase in General Fund costs over the 2018-19 costs. The budget proposal estimates that average monthly caseload will increase by 4.5 percent over the prior year projection to a total of 564,000 recipients in 2019-20.

IHSS Reopener Report

As part of the 2017-18 budget trailer bill SB 90 (Chapter 25, Statutes of 2017) that established the new IHSS maintenance of effort (MOE), Specifically, the Department of Finance was required to submit findings and recommendations to the Legislature by January 10, 2019 on four specific elements: 1. The extent to which revenues available for 1991 Realignment are sufficient to meet program costs that were realigned. 2. Whether the IHSS program and administrative costs are growing by a rate that is higher, lower, or approximately the same as the MOE, including the inflation factor. 3. The fiscal and programmatic impacts of the IHSS MOE on the funding available for the Health Subaccount, the Mental Health Subaccount, the County Medical Services Program Subaccount, and other social services programs included in 1991 Realignment. 4. The status of collective bargaining for the IHSS program in each county. The Department of Finance has completed the Senate Bill 90: 1991 Realignment Report, which is now available on the Department of Finance website.

IHSS MOE Revisions

The Governor's January budget proposal contains revisions to the county IHSS MOE that was established in 2017. The end result of these revisions is estimated to increase State General Fund costs for IHSS, starting at \$241.7 million in 2019-20 and growing to \$547.3 million in 2022- 23. The Department of Finance estimates that there would not be a Realignment shortfall until 2021-22 and it would be a minor shortfall of \$9.5 million. This is positive news for counties as prior estimates under the existing structure showed shortfalls of several hundred million dollars in the coming years.

IHSS Administration

The Governor's January budget proposal provides an ongoing increase of \$15.4 million General Fund for county IHSS administration, for a total of \$326 million General Fund. The budget summary notes that this increase reflects revised benefit rate assumptions.

Continuum of Care Reform (CCR)

The Budget includes \$416.9 million (\$301.7 million General Fund) to continue implementation of CCR. This funding reflects ongoing support for child and family teams, approval of resource families, and continued emphasis of home-based, family care placements with supportive services rather than group home care placements for children in foster care. Although significant progress has been made with the transition of youth in foster care from group homes to Short-Term Residential Therapeutic Programs beginning January 1, 2017, assumptions on caseload movement were revised to more accurately reflect the pace of implementation.

Child Support Programs

The Governor's January budget proposal includes an increase of \$56 million (\$19.1 million General Fund and \$36.9 million federal funds) for local child support agencies (LCSAs). The additional funding is proposed to be allocated to 21 counties that have relatively lower funding levels. This follows up on a \$3 million increase in the 2018-19 budget and direction in AB 1811 (Chapter 35, Statutes of 2018) that requires the Director of the Department of Child Support Services to work with the Child Support Directors Association to identify refinements to the child support budgeting methodology and to identify programmatic operational efficiencies.

CalWORKs Single Allocation

The Budget includes a one-time augmentation of \$93.6 million for the county single allocation. The Administration will continue to work with representatives of counties and county welfare directors to develop recommendations for revising the single allocation budgeting methodology for the Employment Services component as part of the May Revision.

Elimination of SSI Cash-Out Policy

Last year's budget made SSI recipients eligible for federal CalFresh benefits and provided one-time funding to offset any reduction in benefits due to this policy change. The Budget includes \$86.7 million General Fund in 2019-20 and makes permanent the offset of the loss of food benefits for households that would otherwise experience a reduction resulting from the elimination of the SSI Cash-Out policy.

Regional Homelessness Coordination

Governor Newsom proposes an additional \$500 million in one-time General Fund for siting emergency shelters, navigation centers, and supportive housing. Entities that apply for this funding must establish joint regional plans to address homelessness that include cities and counties, and report all funding used for homelessness services. The proposal would direct \$200 million of that funding to local Continuums of Care, \$100 million to the state's 11 largest cities, and the remaining \$200 million for "meeting milestones" grants to local jurisdictions that show progress toward developing housing and shelters.

No Place Like Home Program

The Governor wants to expedite the allocation of No Place Like Home (NPLH) grant allocations to counties to build permanent supportive housing for those who are homeless or at risk of homelessness, and those who are living with a severe mental illness. It is unclear how these funds would be expedited, but voters overwhelmingly passed Proposition 2 authorizing the NPLH program last November.

Housing Planning and Incentives

In addition to \$500 million in one-time funding for local efforts to address homelessness, the Governor proposes \$750 million in funding for revamping regional housing planning, setting new short- and long-term targets for housing production, and to provide incentive funding for local governments that successfully encourage housing production. The funding would be split between \$250 million for planning and target-setting grants and technical assistance to local governments, with \$500 million allocated to local government housing production incentives. While details were sparse, representatives of the Department of Finance and the Business, Consumer Services, and Housing Agency indicated that they plan to work closely with stakeholders, including local government, to develop the new programs.

Transportation Funding

The Governor's January budget proposal includes \$4.8 billion in SB 1 (Beall, 2017) funding in 2019-20. \$1.2 billion in funding from Road Maintenance and Rehabilitation Account (RMRA) will be split evenly between cities and counties, with another \$1.2 billion dedicated to the repair and maintenance of the state highway system. An additional \$400 million is available to repair and maintain the state's bridges and culverts, \$307 million is available to improve trade corridors, and \$250 million is available for congested commute corridor projects. The budget proposal also reflects \$458 million for local transit operations and \$386 million for capital improvements for transit, commuter, and intercity rail. Counties and cities will also receive the final \$75 million loan repayment authorized by SB 1. In addition to SB 1 funding, cities and counties will share \$567 million in price-based excise tax revenue, up from \$235 million in 2018-19. Recall that SB 1 eliminated the "true-up" process and resets the price-based excise tax rate at 17.3 cents per gallon in 2019-20 with future inflationary adjustments. An additional \$1.1 billion in Highway User Tax Account (HUTA) revenue will be allocated to counties and cities by formula.

Cap & Trade Expenditure Plan

The Governor's January budget proposal expends \$1 billion from the Greenhouse Gas Reduction Fund (GGRF) for 2019-20. This is roughly \$400 million less overall than last year's cap and trade expenditure plan, which was adopted in June of 2018.

Despite the decrease in the proposed allocation, funding levels largely remain the same for key programs including:

- \$407 million for the purchase of zero-emission vehicles, trucks, and freight equipment;
- \$230 million to fund and implement AB 617 Community Air Protection Programs;
- \$40 million for the Transformative Climate Communities (TCC) program;
- \$25 million proposed for CAL Recycle waste diversion programs to help reduce short lived climate pollutants, such as methane emissions, from landfills. This is significant for local governments given that Cal Recycle's SB 1383 Organic Waste Diversion regulations are expected to be adopted this year and will increase organic waste diversion requirements.

Safe and Affordable Drinking Water Fund

The Governor's January budget proposal revives the concept of a Safe and Affordable Drinking Water Fund. The proposal, which died in the Legislature last year, would create new charges on drinking water customers and certain agricultural entities to generate revenue to implement a new financial assistance program to address unsafe drinking water systems, with a focus on disadvantaged communities. This proposal is consistent with Senator Bill Monning's SB 623 from the 2018-19 legislative session. The Budget also includes \$4.9 million General Fund on a one-time basis for the State Water Resources Control Board and the Department of Food and Agriculture to take initial steps toward implementation of this new Safe and Affordable Drinking Water Program, including (1) implementation of fee collection systems, (2) adoption of an annual implementation plan, and (3) development of a map of high-risk aquifers used as drinking water sources.

Cannabis

The Governor's January budget proposal includes \$200 million from the Cannabis Tax Fund and Cannabis Control Fund and \$2.9 million for the California Department of Tax and Fee Administration for a cannabis tax enforcement program to help with cannabis tax compliance. Proposition 64 levies excise taxes on the cultivation and retail sale of both recreational and medical cannabis. As California's cannabis markets continue to grow, the excise tax is expected to generate \$355 million in 2018-19 and \$514 in 2019-20. These excise taxes are used to fund different programs as required under Proposition 64. These programs include community reinvestment, funding for studies, youth cannabis use prevention, environmental protection, and funding for law enforcement. The Administration has noted that it will hold off on proposing specific allocations until the May Revision of the budget when more up to-date revenue data will be available.

Cannabis and Public Banking

In June 2017, former 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.

CDFA released the proposed permanent regulations for cannabis cultivation licensing on July 13, 2018, which started the formal rulemaking process and initiated the official 45-day public comment period. On October 19, 2018, 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 27, 2018, and the regulatory hearings that took place from July through August.

On December 7, 2018, California's three state cannabis licensing authorities announced the release of the proposed cannabis regulations currently under review by the California Office of Administrative Law (OAL). The rulemaking action regarding these regulations, initially noticed on July 13, 2018, was submitted to OAL for review on December 3, 2018. The proposed regulations have now been officially approved OAL as of January 16th.

On December 11, 2018, the California Department of Tax and Fee Administration (CDTFA) has adopted proposed emergency Cannabis Tax Regulation 3702, California Cannabis Track-and-Trace, to require the wholesale cost and retail selling price of cannabis and cannabis products to be recorded in the California Cannabis Track-and-Trace (CCTT) system. Pursuant to Revenue and Taxation Code section 34013, proposed section 3702 is effective for two years from the date the regulation is filed with the Secretary of State (effective until December 27, 2020).

On December 4, 2018, Senator Bob Hertzberg introduced SB 51 (Hertzberg) which would create the Cannabis Limited Charter Banking and Credit Union Law. The bill would create the Cannabis Limited Charter Bank and Credit Union Advisory Board which would include the Treasurer, the Controller, and the Chief of the Bureau of Cannabis Control, and commit to it the general responsibility for ensuring that this law functions in a safe and efficient way. The bill has been referred to the Senate Banking and Financial Institutions Committee and the Senate Governance and Finance Committee.

AB 286 (Bonta) was introduced on January 29th. The bill would temporarily reduce California's cannabis excise tax from 15 percent to 11 percent and suspend the cultivation tax altogether through 2022. AB 286 is meant to stimulate the legal cannabis industry in California by creating a more equitable climate for the compliant businesses to compete with the growing grey market. Another problem is that the black market still exists, making it difficult for compliant cannabis entities to compete with the illicit actors who do not pay the same taxes. The bill has been double-referred the Assembly Revenue and Tax Committee and the Assembly Committee on Business and Professions.

On February 4th, the Assembly Banking and Finance Committee and the Assembly Local Government Committee held an informational hearing on Public Banks - An Examination of Public Banking at the Local Level. The hearing heard from the California State Treasurer Fiona Ma, Tim Schaefer, Jan Lynn Owen, Commissioner of the Department of Business Oversight as well as representatives from the California Bankers Association. The goal of the hearing was to provide information about public banking at the local level and determining the feasibility of forming public banks. The Treasurer referenced the one public bank operating at scale in the United States – the Bank of North Dakota (BND), which was founded in 1919 by the state legislature to support the state's farmers.

On February 12th, the California State Treasurer Fiona Ma spoke on Capitol Hill regarding banking services and issues of access surrounding the cannabis industry. The hearing is the first of the new Congress to address federal cannabis banking policy. Congressional members heard testimony from the California State Treasurer, a drug policy reform organization, a medical cannabis dispensary, as well as individuals representing financial institutions.

Bills of Interest to the County

AB 132 (Cooper) Trial Costs: Joseph James DeAngelo, Jr.

Over a span of 14 years the Golden State Killer (GSK) was suspected of committing multiple murders, rapes, kidnappings, robberies and burglaries throughout California. Last year Joseph DeAngelo was arrested as the GSK suspect. The trial of the GSK is going to place an unexpected financial burden on the counties responsible for trying this case. AB 132 will provide some cost recovery to the district attorneys and public defenders responsible for the prosecution and

defense of the GSK. The bill will be heard in the Assembly Public Safety Committee on March 12th. The County is in support of this bill.

AB 255 (Limon) Coastal Resources: oil spills: grants

The bill would include Native American tribes and other public entities to be eligible for grants authorized by the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act. Existing law provides that the Lempert-Keene-Seastrand Oil Spill Prevention and Response Act may offer spill response equipment grants to local governments with jurisdiction over waters of the state. The bill would clarify this existing grant program in the code and ensure this program continues to provide these specified grants to local government, Native American Tribes or other public entities that have jurisdiction over or are directly adjacent to waters of the state. The bill has been referred to the Assembly Committee on Natural Resources. The County is in support of this bill.

AB 409 (Limon) Climate Change: agriculture: grant program

The bill would establish a competitive grant program in the Office of Planning and Research to develop climate adaptation planning tools and trainings for agricultural producers. The bill has been referred the Assembly Committee on Natural Resources. The County is in support of the bill.

SB 46 (Jackson) State government: emergency services

This bill expands on last year's SB 821 (Jackson, Ch. 615, stats. 2018) by allowing local government to automatically enroll residents, stoutens and other employees in locally-operated emergency alert systems while preserving their ability to opt-out and clarifies that alerting authorities may use wireless telephone subscriber data for the sole purpose of emergency notification and allows local governments to identify residents with access and functional needs for the purpose of sending them specialized emergency alerts. The bill has been referred to the Senate Committees on Governmental Organization and Human Services. The County is in support of this bill.

SR 12 (Jackson) Relative to the 50th anniversary of the Santa Barbara oil spill

The Senate Resolution would resolve that the Senate encourage its members to urge their constituents to participate in beach clean-up and other community efforts to bring citizen action and involvement to the protection of our environment and further honor the tireless efforts and important accomplishments of California's environmental leaders stretching from the time of the Santa Barbara oil spill 50 years ago up to the present day. The bill passed the Senate 30-1 on January 28th and is chaptered into law. The County supported this Senate Resolution.

New Introduced Bills of Possible Interest to the County

Our office is reviewing all the introduced legislation and will flag those bills that could be of possible interest to the County. We will then work with staff to see which bills to the County needs to take positions on. This year after discussion with our legislative delegation, we will be trying to take more positions earlier in the process.

Some bill of interest that are already introduced include:

AB 377 (Garcia) Microenterprise home kitchen operations

The bill would modify the conditions for a city, county, or city and county to permit microenterprise home kitchen operations within its jurisdiction. The bill would require an enforcement agency that is permitting and inspecting microenterprise home kitchen operations to annually report specified information about the operations within its jurisdiction and post a link to a report on the homepage of its internet website. The bill would modify the food safety standards applicable to microenterprise home kitchen operations. The bill would prohibit an internet food service intermediary or a microenterprise home kitchen operation from using the word “catering” or any variation of that word in a listing or advertisement of a microenterprise home kitchen operation’s offer of food for sale.

AB 470 (Limon) California Green Business Program

The bill would establish the California Green Business Program within the California Environmental Protection Agency. The bill would require the California Green Business Program to, among other things, develop baseline, beyond compliance, sector-specific environmental standards, as defined, for green business certification programs operated by local governments or their designees.

AB 486 (Limon) Disaster preparedness: local government: animal wildfire evacuation plan

The bill would, if a city or county requires a permit to keep an animal within its jurisdiction, require an animal owner as a condition for obtaining the permit to create and submit to the city or county an animal wildfire evacuation plan for any animal covered by the permit. By imposing a new duty on local government, this bill would impose a state-mandated local program.

AB 725 (Wicks) General plans: housing element: above moderate-income housing

The Planning and Zoning Law requires that the housing element include, among other things, an inventory of land suitable for residential development, to be used to identify sites that can be developed for housing within the planning period and that are sufficient to provide for the jurisdiction’s share of the regional housing need determined pursuant to specified law. This bill would prohibit more than 20% of a jurisdiction’s share of regional housing need for above moderate-income housing from being allocated to sites with zoning restricted to single-family development.

SB 209 (Dodd) Wildfire: California Wildfire Warning Center: weather monitoring

The bill would establish in the state government the California Wildfire Warning Center (center). The center would be comprised of representatives from the Public Utilities Commission, the Office of Emergency Services, and the Department of Forestry and Fire Protection, as provided. The center would have various responsibilities relating to fire-threat weather conditions, including overseeing the development and deployment of a statewide network of automated weather and environmental stations designed to observe mesoscale meteorological phenomena that contribute to increased wildfire risk, including a statewide fire weather forecasting, monitoring, and threat assessment system.

SB 247 (Dodd) Wildland fire prevention: vegetation: management

Current law requires the Department of Forestry and Fire Protection to assist local governments in preventing future wildland fire and vegetation management problems by making its wildland

fire prevention and vegetation management expertise available to local governments to the extent possible, as provided. This bill would provide that it is the intent of the Legislature to enact legislation that would require the department to identify trees that should be trimmed or removed to protect against contact between trees and electric power lines that could cause a fire.

SB 285 (Wiener) Public social services

The bill would require the State Department of Social Services to ensure counties are providing the desired access to CalFresh and meeting specified participation performance outcomes. The bill would require the department to take specified actions to support counties in meeting the participation performance outcomes, including, among others, utilizing specified data to support continuous improvement. The bill would require counties that are not meeting those participation performance outcomes to enter a process of continuous improvement that includes developing a plan to meet the participation performance outcomes.

Conclusion

The last day for bills to be introduced was February 22nd. Since bills cannot be heard in policy committees until they have been 30 days in print, the Legislature focused primarily on informational hearings in February, but will transition into policy and budget subcommittee hearings on specific topics in March. Legislators will travel back to their districts for a week during the Spring Legislative Recess on April 11th, and will reconvene on April 22nd. April 26th will be the last day for policy committees to hear and report to the fiscal committees the fiscal bills that are introduced in the house of origin.

The Legislature will soon be breaking off into budget subcommittee hearings in March in order to discuss budget proposals, leaving most items open for discussion while they wait for the Department of Finance and the Administration to issue the May Revise, which will be in Mid-May. The budget subcommittees will then meet after the May Revise is issued to make decisions and then the budget conference committee will be meeting to adopt the budget by the June 15th deadline.

We look forward to discussing priorities in the Legislature and the budget as bills continue to get introduced. We will continue to work with staff and keep the committee and Board updated. As always, should you or your staff have any questions, please don't hesitate to let us know.