

TO: Members, Legislative Committee
County of Santa Barbara

FROM: Monica Miller, Legislative Advocate
Cliff Berg, Legislative Advocate

RE: May Update

DATE: May 21, 2010

As we bring you our monthly update, we have just received the Governor's May Revise, released on May 14, 2010. This is released as a response to the April tax receipts and the Governor's January budget. We had hopes for a better outcome from the state, however the receipts were lower than expected and the Federal Government has not addressed the proposal for additional funding. The state has seen better days, and counties are in for a fight this summer. The General Fund has gone from \$105 Billion down to \$83.4 Billion, which is a significant decrease in revenues over the last few years.

Areas that were hardest hit were health and human services. As you know, he calls for a total elimination of CalWorks, a significant reduction to IHSS and mental health. While we have to hope the legislature does not adopt these proposals, we also have to note that there are many hits that are devastating to Counties. He also failed to fund Williamson Act and while he did fund State Parks, we are told that he did that on paper, they don't have the funds available, but they want the legislature to figure out the situation.

Some good news, he did keep the funding for the special election last year, he pulled his proposal on the redirection of both Prop. 10 and 63. He also eliminated what was termed "trigger cuts" that were proposed based on any federal funds that most likely will not be realized. We are still analyzing the May Revise and working with your staff to assess the direct impacts on the County as well as your constituents. We will continue to update you on this as we learn more.

On another note, there are some critical bills to the county which we would like to update the committee on. The first one is AB 50 by Assembly Member Pedro Nava, which is supported by the county. The bill is currently sitting on the Senate Floor we recently moved it to the inactive file to allow us time to work out any outstanding issues with committee staff. This also allows the bill to continue to be alive with all of the deadlines we have and to comply with all the procedures on the Senate floor. You may recall that this bill will allow various counties, Santa Barbara being one, to get some property tax relief as a result of the devastating fires the county has experienced in the last few years.

AB 1640 by Assembly Member Noreen Evans and Assembly Member Pedro Nava. This measure seeks to overturn a decision made by the California Department of Public Health in late December 2009 that disenrolled low-income, medi-cal woman ages 40-49 from

the breast and cervical cancer screening program under the Every Woman Counts program. The Department cited fiscal constraints as the reason for this new mandate. You may recall that the Governor signed our County sponsored bill, AB 359, last year allowing providers, on a voluntary basis, to provide a digital screening but be reimbursed at the analogue rate. The idea was to allow more women to get their screenings, not less. The measure has received bi-partisan support and is awaiting the Assembly Suspense file hearing set for Friday, May 28, we will update on the status of the bill once we know.

Another issue of concern to the County is the Special Distribution Fund (SDF). You may recall that the Governor is holding this money and will not release it to the locals. There is a measure to release these funds to the locals, AB 2198 by Assembly Member Paul Cook, which is currently supported by the County. The measure is also sitting on the Assembly Suspense file, which will be heard on May 28.

The County is also supporting AB 1919 by Assembly Member Mike Davis; this measure is sponsored by the City of Los Angeles. The bill would expand the circumstances under which fees are collected so as to provide additional funds for the survey monument preservation fund. This measure was brought to us by your Public Works Department, the bill is opposed by the Realtors, and died on the Assembly Floor, however reconsideration was granted so we are hopeful that we can keep the bill moving forward as we work with the opponents.

Another area we are working on is starting the process to get the five counties reimbursed for the special election for the Senate Seat (SD 15) vacated by Senator Maldonado when he was confirmed for the Lt. Governor's post. We have Assembly Member Bill Monning from Santa Cruz carrying a bill for us, Assembly Pedro Nava will co-author the measure. The preference was to see what the three judge panel said and wait to get the election costs prior to amending in the language. You should know, the panel has ruled and now we will work with Assembly Member Monning to get the language inserted into the bill and we'll add the costs once we know what those are. We will keep you updated on this bill as well, once we get it "in print" meaning the amendment are in the measure, we will send it out to the Board.

In conclusion, we wanted to let you know where we are in the process of the legislative cycle. Now that the May Revise has been released budget subcommittees are wrapping up their work and then most items will go into budget conference committee. Additionally, what we call the "Big Five" (meaning the legislative leadership and the Governor) will begin to meet to try to reach agreements on the bigger issues that are involved. While we do not expect an on-time budget, we are also trying to determine how the cash flow is going to work during the summer months. We will keep you updated as things move forward.