

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate  
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RE: March 2014 State Update

DATE: April 4, 2014

With the bill introduction deadline having come and gone, we will now work to review every bill determine if there is an impact on the County. We will work closely with staff and our delegation on a variety of issues that the County may want to get involved in. Additionally, the legislature will also begin the budget sub-committee hearings to take a deeper dive with the Governor's budget and determine how they want to proceed. As we approach April, we will hone in on the bills and issues of critical importance to the County so we can really focus on what needs to get accomplished this year. Listed below are follow-up issues that are of concern to the County.

### **BUDGET**

The budget sub-committees have begun meeting to hear the Governor's budget proposal. They are also hearing from the Legislative Analyst's Office (LAO) and taking public testimony regarding the proposals. Many of the issues will remain open, meaning that they will not take action until after the May Revise is released. At that time they will have a better idea of what April receipts look like and what they want to focus on. Additionally, we have leadership changes coming in both houses with Speaker-Elect Toni Atkins (D-San Diego) and Senator Kevin DeLeon (D-Los Angeles) as the new Pro-tem of the senate. What is unclear is which leader will negotiate this budget, so that may be a game changer as they have different priorities. The Republicans have not yet announced who their new leaders will be, but we expect that soon.

One major focus of the advocates and the Assembly Democrats is restoration of the Social Services Safety Net. What that ultimately looks like is unclear and as I mentioned the Governor is very skeptical about any restoration at this time given Prop. 30 is a temporary tax increase. This is expected to get a lot of attention this year.

Once the May Revise is release, approximately May 15<sup>th</sup>, then the sub-committees can close out items. The remaining open items and any discrepancy in each house will then go to the budget conference committee which is expected to begin in late May or early June. Given that there is a surplus this year, which has not happened in a very long time, there is a major push to spend money and restore programs. This Governor is not supportive of that, however he has some asks as well, so those will be key in the budget negotiations.

We will continue to watch the various sub-committees and work with staff on issues that are important to the Counties platform.

## **WATER**

There will continue to be discussions around potential water bonds this year to replace the current bond slated for November 2014. At this time, there are 10 potential water bonds floating out there including the one already on the ballot. This, along with the drought is a major issue for the legislature right now. As you know, they passed SB 103 and SB 104 to address immediate concerns but there is still much work to be done and much more rain needed. Those bills were intended to move money out the door quickly for things such as farm worker assistance, etc. Unfortunately, based on our read and some earlier meetings there don't appear to be funds available for Lake Cachuma. We reached out to our delegation and the Governor's office as those bills were moving to explain our unique situation. We are now working daily with the Administration, your delegation and your staff to address the Lake Cachuma crisis.

The Administration is 100% committed to helping us find a workable solution, they have asked many questions and the dialogue will continue until we get the need addressed. Your staff has been extremely committed to working with them as well as our delegation. We will continue to keep you updated as those discussions unfold and are available should you or your staff have any questions.

### **Bills of Interest to the County**

AB 919 (Williams) This bill was a two year bill, but successfully moved to the second house in January. It will be heard in the Senate Governance and Finance Committee later this spring or early summer. The bill Enables a "qualified veteran" to receive from the state a "qualified repayment" of state and local sales taxes paid to the State Board of Equalization (BOE) during the eight-year period beginning on and after April 1, 2002, and before April 1, 2010. The bill is sponsored by the State Board of Equalization and has had unanimous support to date. The bill is supported by the County.

AB 1799 (Gordon) This bill was introduced to allow for greater use of tax payer dollars. As of late, the Department of Fish and Wildlife have moved to a very aggressive form of endowments for mitigation, therefore locking up precious resources in perpetuity. Local governments are charged with careful use of tax payer dollars and as such many believe it is an inappropriate use of those dollars to lock them up so DFW can utilize the interest earned to take care of any potential mitigation issues. The bill in not intended to have public agencies get out of covering mitigation costs, simply to use those dollars more appropriately. There are many safe guards in the bill to ensure that they are still responsible for those projects in perpetuity. The bill was referred to Assembly Local Government Committee where it passed unanimously. The will be heard in Assembly Water Parks and Wildlife Committee on April 29, 2014. The bill is sponsored by the Santa Clara Valley Water District and is supported by the County.

AB 1970 (Gordon) This bill proposes to create the Community Investment and Innovation Program which will provide funding to local governments in the form of grants and other financial assistance to develop and implement greenhouse gas (GHG) emission reduction projects. The bill is supported by the County and is scheduled to be heard on April 7, 2014 in Assembly Natural Resources Committee.

AB 2455 (Williams) This bill changes the Community Services District Law that specifies that those boards must have 5 board members, AB 2455 would allow this special district to drop down to 3 board members until January of 2035. This will allow the District to conduct its regularly scheduled business which they are unable to do at this time. The bill is supported by the County and will be heard on April 9, 2014 in Assembly Local Government.

SB 270 (Padilla) This bill is the compromise bill prohibiting stores from allowing single-use carry-out bags. This bill would require stores that have gross sales at a specific price point to allow customers to purchase bags, but they will not have them available for free. As mentioned, this is the compromise bill between government and industry as well as the “mom and pop” stores. The bill is currently awaiting a committee assignment, but it is in the Assembly so we anticipate it will not be heard until late spring or early summer. We will keep you updated on its progress.

SB 498 (Lara) This bill is a reintroduction of SB 801 that the county supported last year. Unfortunately, due to last minute amendments the Governor vetoed SB 801. The Senator met with stakeholders over the fall and this is the compromise bill. The bill is sitting in the Assembly awaiting a committee referral. SB 498 will help to facilitate the development of cleaner and more efficient technologies in California for converting biomass materials into renewable energy by expanding the definition of biomass to include non-combustion conversion technology. The County is supporting the bill.

SB 1451 (Hill) This bill would require the Secretary of the Natural Resources Agency, on or before January 1, 2016, and on or before January 1 of each year thereafter, to submit to the Legislature a report on the types and effectiveness of a representative sample of mitigation measures adopted by state and local agencies. This bill has yet to be referred out of Rules Committee, so we will keep you posted.

### **Conclusion**

As we move into April, things will begin to get very busy. The policy committee deadline is May 2, 2014. We will then move into bills going to Appropriations and the floor. We will also start to focus more on budget come May, so it will be busy. Keep in mind, the main topic right now are water and budget, so there will be a lot of activity on those fronts. As always, if you or your staff has any questions, please let us know.