COUNCIL AGENDA: 12/06/22

FILE: 22-1782 ITEM: 2.10



Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL FROM: Sarah Zárate

SUBJECT: FALL INTERGOVERNMENTAL

DATE: November 14, 2022

RELATIONS REPORT

| Approved | 11/1 | Date |
|----------|------|----------|
| | 9 | 11/21/22 |

RECOMMENDATION

- (a) Accept the Fall Intergovernmental Relations Report; and
- (b) Reaffirm all City positions summarized in the 2022 Intergovernmental Relations Priority Legislation Log (Attachment A).

OUTCOME

The Administration will continue legislative advocacy efforts to advance City priorities.

EXECUTIVE SUMMARY

The Fall Intergovernmental Relations Report provides an update on the City's top legislative priorities and outlines legislative positions for City Council reaffirmation.

From the period of August 1, 2022, through November 1, 2022, the Intergovernmental Relations team took the following actions in relation to our legislative priorities:

- Advocated for the successful passage of two City-sponsored bills: Senate Bill (SB) 649 (Cortese) and Assembly Bill (AB) 2164 (Lee).
- Conducted a legislative advocacy day, meeting with the City's entire state delegation and the Governor's Office to discuss the City's priorities.
- Conducted a briefing with Congressman Panetta on emerging issues, with a focus on South San José and the new 19th Congressional District.
- Advocated for \$4 million in funding for the City's emergency housing sites through two Federal earmark requests (*which are currently pending*).
- Updated the City's Legislative Program by organizing it into functional areas and significantly expanding the City's policy positions, as presented in Item 3.3.

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- Instituted a new automated form and standardized process to capture department submissions for Federal and State earmarks.
- Conducted 18 meetings with legislative offices and staff to discuss the City's policy priorities.
- Distributed 14 letters to support or oppose legislation and ballot measures and communicated the City's budget priorities.

Additional information related to this activity is found in the Analysis section and is organized as follows:

- Federal and State Updates Related to Legislative Principles
 - o COVID-19 Recovery and Endemic Response
 - Homelessness Funding
 - o Safety and Vision Zero Initiatives
 - o Funding to Advance Smart, Sustainable, and Reliable, Infrastructure
- Policy Updates of City Interest
 - o Federal Legislative Updates
 - Redistricting and New Representatives
 - Budget Reconciliation Package
 - Legislative Developments
 - State Legislative Updates
 - Redistricting and New Representatives
 - State Budget Update
 - City-Supported Legislation
 - Additional Legislation of City Interest
 - o November 2022 ballot measures
 - o IGR Priority Legislation Log

BACKGROUND

The Administration provides regular updates on legislative and regulatory advocacy efforts to ensure the City Council stays informed of actions the City has taken throughout the year related to State and Federal legislative advocacy.

The City's Intergovernmental Relations team (IGR) last reported to City Council on August 9, 2022 (Item 3.3, 22-1130)¹. In spring 2022, Council approved four updated advocacy priorities for 2022: (1) COVID-19 Recovery and Endemic Response; (2) Homelessness Funding; (3) Safety and Vision Zero Initiatives; and (4) Funding to Advance Smart, Sustainable, and Reliable Infrastructure. The following analysis is framed around the top advocacy priorities.

 $^{^{\}rm 1}$ https://sanjose.legistar.com/LegislationDetail.aspx?ID=5738603&GUID=D93C1069-3925-4874-971E-F9BA3391514D

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ANALYSIS

COVID-19 Recovery and Endemic Response

This section summarizes major policy developments and IGR activities related to the City's first advocacy priority: COVID-19 Recovery and Endemic Response.

Federal Update

On October 13, 2022, the President Biden extended the COVID-19 public health emergency through January 11, 2023. The public health emergency was first declared in January 2020 and has been extended every 90 days thereafter. The emergency declaration gives federal agencies broad authority to expand certain programs without congressional approval. The Department of Health and Human Services has stated it will give states 60 days' notice before lifting the emergency.

State Update

IGR has continued to advocate for investments towards long-term recovery from the effects of COVID-19 endemic. The City supported SB 847 (Hurtado) that would establish a grant program for landlords for their tenants' unpaid pandemic-era rent, however the bill died in Assembly Appropriations Suspense File. The City also supported AB 1944 (Lee) that focused on Brown Act Reform, though the bill died in Senate Committee. However, AB 2449 (Rubio) was signed into law with limited applicability for Brown Act bodies, which eases teleconferencing provisions under certain conditions for meetings of local jurisdictions until January 1, 2026.

On October 17, 2022, the Governor announced that California's COVID-19 state of emergency will end on February 28, 2023. Twenty-seven provisions from the 74 executive orders issued under the state of emergency remain in effect, while more than 500 provisions have already ended. The Governor has extended the state of emergency five times over the course of the pandemic, most recently in June.

Homelessness Funding

This section summarizes major policy developments and IGR activities related to the City's second advocacy priority: Homelessness Funding. While the City of San José pursues annual and one-time funding, there is continued advocacy for ongoing system change to create sustainable funding streams to maintain and expand homelessness services.

Federal Update

The City's federal delegation is continuing to champion two earmark requests for inclusion in the FY23 federal budget related to homelessness funding. The House of Representatives Appropriations Committee included the following earmark requests in the final House of

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Representatives Appropriations bill that will be voted on when budget reconciliation resumes in December. These requests would provide a combined \$4 million in one-time operations funding for the City's emergency housing sites:

- SureStay Project HomeKey Site (Rep. Khanna/Rep. Eshoo) \$3,250,000
- Mabury Site Operations (Rep. Lofgren) \$750,000

These federal earmark requests remain tentative until the FY23 federal budget is finalized. IGR will continue to monitor and advocate for these requests.

State Update

IGR advocated for AB 2339 (Bloom) which would revise the requirements of the housing element, in connection with zoning designations, that allow residential use where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. This bill was signed by the Governor on September 28, 2022.

Staff also continued to advocate for the need for additional, flexible, and ongoing funding through the State's Homeless Housing, Assistance and Prevention Program (HHAP) to operate the City's homelessness assistance programs. This includes advocacy for additional funding for homelessness programs, especially for capital dollars (Homekey Program) to build housing solutions alongside programming dollars to holistically address the City's unhoused needs.

In July, the City received \$29.1 million dollars in Homeless Housing Assistance and Prevention Program (HHAP) round three funds. In late August, Governor Newsom announced a \$51.6 million Homekey award for the City's largest quick-build housing community at Branham Lane and Monterey Road, which will add 204 new interim housing units.

Safety and Vision Zero Initiatives

This section summarizes major policy developments and IGR activities related to the City's third advocacy priority: Safety and Vision Zero Initiatives.

Federal Update

IGR continues to monitor upcoming grant opportunities aligned with the implementation of the Infrastructure Investment and Jobs Act, including several grant opportunities that will be available in winter 2023. IGR supported the City's Department of Transportation in submitting for two major projects for federal infrastructure funding during this period, with strong support from the City's state and federal delegations. In September, the City submitted a joint application with Santa Clara County Department of Roads and Airports for the U.S. Department of Transportation's Safe Streets and Roads for All grant program to build safety improvements in East San José along corridors in the City's Vision Zero Action Plan. In October the City

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submitted an application for the U.S. Department of Transportation's Reconnecting Communities discretionary grant program for the Monterey Road Complete Streets Project.

State Update

IGR staff strongly advocated for legislation that has impacts on Vision Zero initiatives and funding to support infrastructure and policy objectives of the City's Vision Zero action plan.

The City supported AB 2336 (Friedman) which would have created a five-year pilot program authorizing San José and five other cities to use speed cameras to enforce speed limits on their highest injury streets. This bill ultimately died in Assembly Appropriations Suspense File, however the City will be a strong advocate for this program to be re-introduced in the next legislative session.

The City also supported AB 1938 (Friedman) which would clarify previous legislation to ensure cities maintain existing authority to lower speed limits based in safety corridors. This bill was signed by the Governor on September 19, 2022. The City was monitoring SB 932 (Portantino) which would require the circulation element of a general plan to include specified contents related to bicycle and pedestrian plans and traffic calming plans. This bill was signed by the Governor on September 28, 2022.

Funding to Advance Smart, Sustainable, and Reliable Infrastructure

This section summarizes major policy developments and IGR activities related to the City's fourth advocacy priority: Funding to Advance Smart, Sustainable, and Reliable Infrastructure. This includes funding advocacy for clean energy, water, transportation, and green infrastructure projects.

Federal Update

On August 16, 2022 President Biden signed the Inflation Reduction Act of 2022 (H.R. 5376)², providing \$369 billion in climate and energy program funding over a ten-year period. An August 29 Informational Memorandum³ to the City Council highlighted key elements of the act and how they will benefit the City's businesses and residents. This legislation is in the initial phases of implementation by various Federal agencies and details will continue to emerge in the months ahead. However, this legislation provides an unprecedented opportunity for the City to access significant funds for climate and energy projects. A large portion of the funding will be provided directly to residents through tax credits and rebates, including an increase of the federal electric vehicle tax credit, and home electrification and energy efficiency upgrades. In concert with the City Manager's Communications Office and Departments of Community Energy and

² https://www.congress.gov/bill/117th-congress/house-bill/5376

³ https://www.sanjoseca.gov/home/showpublisheddocument/89019/637973895457970000

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Environmental Services, IGR is seeking additional ways to ensure residents are aware of these opportunities.

IGR is working closely with the City's federal lobbying team to continue to monitor the rollout of the grant opportunities provided through the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA). The Airport was successful in securing IIJA funds through the federal Airport Terminal Program grant in the amount of \$10 million to improve the accessibility of its terminal facilities. In addition to identifying and matching opportunities and with the City's funding priorities, IGR has also sought areas for regulatory advocacy to help influence these programs as they are developed. IGR also continues to work closely with City Departments to ensure the City is aggressive in seeking funding while putting forth competitive applications with the support of its elected delegation.

State Update

IGR continued to strongly advocate for full funding from the Transit and Intercity Rail Capital Program (TIRCP) to leverage federal funding for the City's priority projects, such as BART's Silicon Valley extension, the transformation of Diridon Station, and Caltrain electrification.

To support Valley Water's Shoreline Levee project, IGR sent a letter advocating for a request of \$10 million for this project to be included in the Climate and Energy Package that was passed in early September. Advocacy for this project is aligned with the City's Strategic Project list, however the project was not included in the final budget trailer bill language. IGR continues to collaborate with Valley Water to identify additional funding opportunities for this important project.

IGR is also continuing to advocate for state legislation that advances infrastructure needs. The City supported SB 922 (Weiner) which would extend the California Environmental Quality Act exemption for bicycle transportation plans outside of urbanized areas and for active transportation plans and pedestrian plans. The bill was signed by the Governor on September 30, 2022. The City was also monitoring AB 2438 (Friedman) which would have required state transportation funding programs to align with state climate plans and goal. The bill was approved by the Legislature but vetoed by the Governor on September 29, 2022.

Policy Updates of City Interest

Federal Legislative Updates

Redistricting and New Representatives

Through the 2021 redistricting process based on the 2020 U.S. Census, the City's Congressional district boundaries are changing. Following the results of the November 8th Midterm elections, the City will be maintaining its federal representatives of Congressman Khanna and Congresswomen Lofgren and Eshoo, and gaining representation from Congressman Panetta.

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On July 25, 2022, the City welcomed Congresswoman Lofgren to City Hall for a briefing on the City's efforts on housing and homelessness, economic development, and transportation, specifically in the downtown core. On November 1, 2022, the City welcomed Congressman Panetta to City Hall for an introductory briefing and overview on the transformations underway across the City, in particular in South San José where his new district boundaries lie.

Budget Reconciliation Package

On September 30, 2022, President Biden signed a Continuing Resolution that maintains current levels of spending and extends funding through December 16, 2022, giving both chambers additional time to reach an agreement on the FY23 budget. Congress will need to enact a final spending bill by the new deadline of December 16, pass another Continuing Resolution, or risk a government shutdown.

Legislative Developments

Electoral Count Reform and Presidential Transition Improvement Act

When Congress returns following the November elections, there may be momentum to pass the Electoral Count Reform and Presidential Transition Improvement Act of 2022.⁴ On September 27, 2022, this legislation passed out of the Senate Committee on Rules and Administration. The bill would clarify the Vice President's role in certifying presidential elections and make other revisions to the electoral count process. Following the events of January 6, 2022, there is broad bipartisan support for the measure. The next step would be to harmonize the bill with the Presidential Election Reform Act⁵ that passed in the House of Representatives on September 21, 2022, led by Representative Lofgren.

National Defense Authorization Act

On July 14, 2022, the House of Representatives passed the National Defense Authorization Act (NDAA) for Fiscal Year 2023 (<u>H.R. 7900</u>)⁶, which authorizes the Department of Defense's activities. There are several amendments currently being considered by the Senate, and it appears there is momentum to pass this legislation when Congress returns to session on November 14, 2022. One significant amendment the City is monitoring is the <u>Water Resources Development Act</u>⁷, which authorizes the U.S. Army Corps of Engineers' activities such as water supply and wastewater infrastructure, flood control, hydropower, and ecosystem restoration.

⁴ https://www.congress.gov/bill/117th-congress/senate-bill/4573

⁵ https://www.congress.gov/bill/117th-congress/house-bill/8873

⁶ https://www.congress.gov/bill/117th-congress/house-bill/7900

⁷ https://www.congress.gov/bill/117th-congress/house-bill/7776

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SAFE Banking Act

On July 14, 2022, the House of Representatives passed the Secure and Fair Enforcement Banking Act of 2021 (H.R. 1996)⁸, also known as the SAFE Banking Act, which would allow cannabis businesses access to the federal banking system. The bill was included as an amendment to the 2023 NDAA, however it is not anticipated to be included in the Senate version. The bill has passed the House of Representatives seven times, but the Senate has not acted on the stand-alone bill that the House of Representatives passed in 2021, and it was stripped from the 2022 NDAA bill in conference last year. The City is closely monitoring this legislation which would provide substantial benefits to its cannabis businesses and the City's regulatory and accounting processes.

CHIPS and Science Act

The CHIPS and Science Act was signed into law by President Biden on August 9, 2022. This legislation was designed to enhance manufacturing of semiconductors in the U.S. It created a \$52 billion grant program to which states, local governments, educational institutions, nonprofits and for-profit companies are all eligible to apply. The CHIPS and Science Act also includes a 25 percent tax credit for investments in semiconductor manufacturing. In addition, a research and development program will invest \$11 billion in a National Semiconductor Technology Center, a National Advanced Packaging Manufacturing Program, up to three new Manufacturing USA Institutes, and will fund workforce training.

IGR has coordinated various meetings with our federal lobbying team and the Office of Economic Development. The CHIPS Act will require a state or local match and the IGR Team has engaged the Governor's Office for a meeting with the State GO-Biz Office to explore if the State is planning to provide incentives for California applicants.

Abortion Legislation

Senator Graham introduced legislation in September that would ban most abortions nationwide after 15 weeks. Though this bill isn't expected to pass Congress in the near-term, additional federal abortion bills are expected in the wake of the U.S. Supreme Court decision in Dobbs v. Jackson Women's Health Organization, in which the Court held that the Constitution of the United States does not confer a right to abortion. The Court's decision overruled both Roe v. Wade (1973) and Planned Parenthood v. Casey (1992), giving individual states the full power to regulate any aspect of abortion not preempted by federal law.

Respect for Marriage Act

On July 19, 2022, the House of Representatives passed the Respect for Marriage Act (<u>H.R.</u> 8404)⁹, which is currently pending a vote in the Senate. The bill would repeal the Defense of

⁸ https://www.congress.gov/bill/117th-congress/house-bill/1996

⁹ https://www.congress.gov/bill/117th-congress/house-bill/8404/text

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Marriage Act and require the federal government to recognize the validity of same-sex and interracial marriages in the United States. Specifically, the bill repeals and replaces provisions that define, for purposes of federal law, marriage as between a man and a woman and spouse as a person of the opposite sex with provisions that recognize any marriage that is valid under state law. The bill also repeals and replaces provisions that do not require states to recognize same-sex marriages from other states with provisions that prohibit the denial of full faith and credit or any right or claim relating to out-of-state marriages on the basis of sex, race, ethnicity, or national origin. The bill allows the Department of Justice to bring a civil action and establishes a private right of action for violations. IGR will continue to advocate for this bill's passage.

State Legislative Updates

Redistricting and New Representatives

Through the 2021 redistricting process based on the 2020 U.S. Census, the City's Assembly and State Senate district boundaries changed dramatically. Following the results of the November 8th Midterm elections, the City will be consolidating from three State Senate representatives to two, maintaining Senator Cortese but gaining newly-elected representative Wahab. The City will be expanding from four Assembly representatives to five, maintaining Assemblyman Berman, Lee, Low, Kalra, and gaining newly-elected representative Pellerin.

On October 24, 2022, the City's IGR team conducted a legislative advocacy day in Sacramento. The IGR team was able to meet with the City's entire state delegation, as well as the Governor's Office and the California Natural Resources Agency. The purpose of the meetings was to discuss the City's legislative and funding priorities for the next session and to hear about the respective offices' priorities.

State Budget Update

Following the Governor's release of a revised 2022-2023 state budget proposal on May 13, 2022, the IGR team worked with the City's legislative advocates and legislative leadership to advance the City's priorities through the budget. The State Legislature passed a \$308 billion budget on June 27, 2022 which was signed by the Governor on June 30, 2022. Additional budget negotiations continued beyond the signage of the 2022 Budget Act as funding details for energy and climate were further deliberated.

The August 9, 2022 Summer Intergovernmental Relations Report (Item 3.3, 22-1130)¹⁰ highlighted the City priorities funded in the 2022 Budget Act, including unprecedented funding for transportation, climate, housing, health care, and early education. The Legislature passed additional trailer bills in the final weeks of the legislative session amending the 2022 Budget Act and providing significant investments through increasing energy sustainability and addressing climate change. These included a handful of bills to address the climate crisis on the policy front

 $^{^{10}}$ https://sanjose.legistar.com/LegislationDetail.aspx?ID=5738603&GUID=D93C1069-3925-4874-971E-F9BA3391514D

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that were signed on September 6, an energy and climate trailer bill (AB 209) that was signed on September 6, and an additional 24 bills providing \$15 billion in funding to address drought and climate change that were signed on September 16.

On October 7, 2022, Governor Newsom called for a special legislative session to convene on December 5, 2022. The special session will focus attention on a noticeable gap between gas prices in California and the national average, and to consider passing a tax on excessive profits oil companies are receiving due to this disparity.

City-Sponsored Legislation

The Summer Intergovernmental Relations Report (<u>Item 3.3, 22-1130</u>)¹¹ provided a summary of the City-sponsored and -supported bills. Following the end of the second year of a 2-year legislative session, September 30, 2022 marked the deadline for Governor Newsom to sign or veto bills. By the deadline, the Governor signed 997 and vetoed 169 bills, a veto rate of 14.5%. The following is an update on the status of City-sponsored and supported legislation:

- SB 649 (Cortese) on Tenant Preferences to Prevent Displacement: The City sponsored SB 649, which will create a pathway for municipalities to enact local tenant preference policies prioritizing community residents at risk of displacement for affordable housing placements. SB 649 was signed by the Governor on September 28, 2022. The bill will go into effect on January 1, 2023.
- **AB 2164** (Lee) on Small Business Disability Funding: The City sponsored AB 2164, which would remove the sunset date for the fee collected through business licenses and business permit renewals, thereby enabling local governments to indefinitely collect the \$4.00 fee to fund programs expanding physical accessibility to businesses for individuals with disabilities. The legislation also clarified local jurisdictions' ability to use these funds for accessibility-related grants for small businesses. **AB 2164 was signed by the Governor on September 30, 2022. The bill will go into effect on January 1, 2023.**

Additional Legislation of City Interest

- AB 2011 (Wicks) on Affordable Housing on Underutilized Commercial Sites: The City supported and was successful in proposing amendments to AB 2011, which allows certain affordable housing projects as a use by right in certain underutilized commercial areas. AB 2011 was signed by the Governor on September 28, 2022. The bill will go into effect on January 1, 2023.
- **Abortion Protection:** On June 24, 2022, the U.S. Supreme Court overturned Roe v. Wade in a decision on Dobbs v. Jackson Women's Health Organizations, finding there is

 $^{^{11}}$ https://sanjose.legistar.com/LegislationDetail.aspx?ID=5738603&GUID=D93C1069-3925-4874-971E-F9BA3391514D

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no longer a federal constitutional right to abortion. Following this ruling, a series of bills that protect reproductive freedom including access to abortion were introduced at the state level and the City submitted letters of support for 11 of the bills. Of the 11 supported bills, 10 were signed by the Governor and 1 was vetoed.

- o AB 1666 (Bauer-Kahan) Abortion: Civil Actions. SIGNED
- o AB 1918 (Petrie-Norris) California Reproductive Health Service–SIGNED
- o AB 2091 (Bonta) Disclosure of Information: Reproductive Health SIGNED
- o AB 2134 (Weber) Reproductive Healthcare SIGNED
- o AB 2199 (Wicks) Birthing Justice for California Families Pilot– VETOED
- o AB 2205 (Carrillo) California Health Benefit Exchange: Abortion–SIGNED
- o AB 2223 (Wicks) Reproductive Health SIGNED
- o AB 2586 (Garcia) Reproductive and Sexual Health Inequalities SIGNED
- o AB 2626 (Calderon) Medical Board: License Discipline: Abortion SIGNED
- o SB 1142 (Caballero) Abortion Services SIGNED
- o SB 1375 (Atkins) Nursing: Nurse Practitioner SIGNED
- Gun Violence Reduction: On June 23, 2022, the U.S. Supreme Court ruled that New York's concealed carry law was unconstitutional, invalidating the broad discretion of several states, including California, to issue concealed carry permits by requiring applicants to demonstrate a specific need to carry a firearm in public. The City closely monitored and supported several bills introduced at the state level intended to strengthen firearm regulations and reduce gun violence, as well as restricting firearm advertising to minors, restricting access to ghost guns, and creating avenues to sue gun manufacturers. Of these bills, 5 were signed by the Governor and 5 failed to pass the Legislature.

The City had taken a 'monitor' position on the following legislation to address gun violence reduction:

- o SB 505 (Skinner): Gun Liability Insurance DIED
 - The City has been in communication with Senator Skinner's office on reintroducing this legislation in the next legislative session.
- o SB 918 (Portantino): Firearms: Concealed Firearms DIED
 - The City has been in communication with Senator Portantino's office on re-introducing this legislation in the next legislative session.
- o AB 452 (Friedman): Parental Notification of Firearm Safety Laws
- o AB 1594 (Ting): Firearms: Civil Suits SIGNED
- o SB 1327 (Hertzberg): Firearms: Private Rights of Action SIGNED
- o SB 1070 (Melendez) Controlled Substances: Firearm Possession DIED
- o AB 2545 (Muratsuchi) Firearms: Stolen Property DIED

IGR had also sent letters of support on the following legislation:

- o AB 2552 (McCarty) Prohibiting Firearm Sales on State Property SIGNED
- o AB 2551 (McCarty) Firearms: Mental Health SIGNED
- o SB 915 (Min) Prohibiting Firearms Sales on State Property SIGNED

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- o AB 2883 (Ting) Firearm Owner Notifications DIED
- Cardrooms: Late in the legislative session, SB 637 was introduced and called for an extension of the existing cardroom moratorium, allowing for no new cardrooms and no additional table growth for another year. Given the passage of Measure H, the City of San José opposed this legislation since it included no flexibility in table growth. This bill died in the Senate Governmental Organization Committee on the last day of the legislative session. IGR is now working with San José's cardrooms to apply for table expansion, as authorized through Measure H, before seeking a legislative path forward.

November 2022 Ballot measures

On June 30, 2022, seven ballot measures qualified in the State of California and appeared on the November 8, 2022 ballot for voter consideration, as discussed in the Ballot Measures Memorandum (Item 3.4, 22-1131)¹². During its August 9, 2022 meeting, Council adopted the staff recommended positions on five of the seven ballot measures. Council did not adopt a position on Proposition 29, which would require on-site licensed medical professionals at kidney dialysis clinics. This measure did not pass. Council also did not adopt a position on Proposition 30, which would increase funding for Electric Vehicle (EV) infrastructure, as questions remained on how the funds would be administered. This measure did not pass.

Council did adopt positions on the following ballot measures:

- Proposition 1: SCA 10 Reproductive Freedom Council support position
 - o This measure did pass.
- Proposition 26: Authorizing New Types of Gambling Council oppose position
 - o This measure did not pass.
- Proposition 27: Allowing Online and Mobile Sports Wagering Council oppose position
 - o This measure did not pass.
- Proposition 28: Providing Additional Funding for Arts and Music Education in Public Schools – Council support position
 - o This measure did pass.
- Proposition 31: Referendum Challenging a 2020 Law Prohibiting Retail Sale of Certain Flavored Tobacco Council oppose referendum (which is a 'yes' vote on the measure)
 - o This measure did pass.

Intergovernmental Relations Priority Legislation Log

The IGR Priority Legislation Log (Attachment A) summarizes City positions and actions taken on legislation as of November 1, 2022. While the positions and actions taken have already been approved by the City Council through the Annual Legislative Program, City Council is now

 $^{^{12}\,}https://sanjose.legistar.com/LegislationDetail.aspx?ID=5738614\&GUID=42B02DC7-7C4E-485F-90BA-E786E149DE46$

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asked to reaffirm all City positions summarized in the report. The Priority Legislation Log is not inclusive of all legislation that the City is watching or monitoring. Attachment B is an End of Session Legislative Report for the State Legislative Session provided by the City's state legislative advocate.

CONCLUSION

Between August 2022 and October 2022, the Administration focused its efforts on COVID-19 relief and endemic response, homelessness funding, vision zero initiatives, and funding for smart, reliable, and sustainable infrastructure. At the federal level, the City continues to monitor the rollout of expanded infrastructure and climate grant programs as well as the City's earmark funding requests that are advancing in the FY23 budget. At the state level, the City continues to advocate for flexible funding in the state budget to address homelessness and priority infrastructure projects.

EVALUATION AND FOLLOW-UP

The Administration will continue to advance the City's Legislative Program and will bring legislation forward for the City Council's consideration based on the appropriate legislative position adoption process. The Administration will continue to report on all City legislative positions on a regular basis.

CLIMATE SMART SAN JOSE

The recommendation in this memorandum align with one or more Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

The Administration will post this memorandum on the City's Council Agenda website for the December 6, 2022 City Council meeting.

COORDINATION

The Administration coordinated this memorandum with the City's state and federal legislative advocates, the City Attorney's Office, the City Manager's Budget Office, the City Manager's Office of Economic Development and Cultural Affairs, the City Manager's Office of Emergency Management, the City Manager's Office of Racial Equity, and departments of Airport, Housing,

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Transportation, Community Energy, Environmental Services, and Planning, Building and Code Enforcement.

COMMISSION RECOMMENDATION/INPUT

The recommended actions do not have a Commission Recommendation.

CEQA

Not a Project, File No. PP17-010, City Organizational and Administrative Activities resulting in no changes to the physical environment.

SARAH ZÁRATE

Sarah zárate

Director, City Manager's Office of Administration, Policy, and Intergovernmental Relations

For questions, please contact Zane Barnes, Chief Intergovernmental Relations Officer, at <u>zane.barnes@sanjoseca.gov</u>.

Attachment A: Intergovernmental Relations Priority Legislation Log

Attachment B: End of Session Legislative Report

Legend
Signed into Law
Dead/Vetoed
Gut and Amend

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
|---|---------------|-------------------|--------|-------------|--|--|--|---|--|
| Standard | Support | State Initiative | SCA 2 | Allen | Public housing projects | | Chaptered, pending | Letter from Mayor to sponsor 6/16/22 | Housing wants to support |
| | Monitor | State Legislation | SB 932 | Portantino | General plans: circulation element: bicycle and pedestrian plans and traffic calming plans | DOT's analysis: Major implications of timing, fiscal impact, design immunity, and liability Specially concerned about the provision that says that failure to incorporate improvements into the circulation element or implement them in a timely fashion shall create a cause of action for victims of traffic violence. | Signed into law | | DOT met with bill author on 5/11/22; DOT still opposed, but wants to remain in dialogue with bill author before issuing opposed letter |
| Legislative Program | Support | State Legislation | SB 922 | Weiner | California Environmental Quality Act: exemptions: transportation- related projects. | The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. | | 3/23/22 Mayor to Wiener Letter to Governor 8/16/22 | |
| Legislative Program | Support | State Legislation | SB 917 | Becker | Seamless Transit Transformation Act. | area planning agency and not as a part of the executive branch of the state government, to provide comprehensive regional transportation planning for the | | 4/19/22 Mayor to Becker | |
| | Monitor | State Legislation | SB 915 | Min | Firearms: Banning Gun Sales on State Property | It will be a misdemeanor to violate the laws that regulate the transfer of firearms. This bill would prohibit state officers, employees, operators, from | | 4/28/22 to Min | |

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| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Program | Support | State Legislation | SB 878 | Skinner | School Transportation | Commencing January 1, 2023, the bill would require a pupil attending a public, noncharter school to be offered free transportation to and from their neighborhood school. The bill would require a school district, county office of education, entity providing services under a school transportation joint powers agreement, or regional occupational center or program that does not currently provide transportation to all pupils in the local educational agency to implement a plan to ensure that all pupils attending the local educational agency are offered free transportation to and from school. The bill would require these plans to be developed in consultation with specified stakeholders. | Dead | 3/14/22 to Skinner | |
| Legislative Program | Support | State Legislation | SB 854 | | Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Act of 2022 | The bill would establish the California HOPE Account and a state-funded survivor benefit program for children whose parent(s) or caregiver(s) have died from COVID-19 but are ineligible for federal benefits. The HOPE for Children Act is focused on creating economic mobility and closing the racial wealth gap for surviving children and eligible foster youth. | Dead | 3/14/22 to Skinner | |
| Legislative Program | Support | State Legislation | SB 847 | | COVID-19 relief: tenancy: grant program | SB 847 establishes a grant program, administered by the Department of Housing and Community Development that allows for distribution of funds to small landlords, upon appropriation by the Legislature. | Dead | Letter to Hurtado 5/9/22 | Housing provided amendments; amendments adopted; Housing deciding whether or not to support |
| Legislative Program | Support | State Legislation | SB 692 | | Local control and accountability plans: state priorities: least restrictive environment | Incentivize school districts to serve students with disabilities in the most inclusive environment that is appropriate to the child's circumstances. | Signed into law | 4/5/21- to Senate Committee on Education | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Program | Sponsor | State Legislation | SB 649 | | | Would create a statewide policy supporting local tenant preferences for affordable apartments that prioritize local residents at risk of displacement, and therefore support residential anti-displacement efforts for lower-income households. | | 4/9/21 to Senate Housing Letter to the Governor 8/29/22 | |
| Legislative Program | Support | State Legislation | SB 612 | | Electrical corporations: allocation of legacy resources | Optimize Investor Owned Utility (IOU) portfolio costs by creating proportionate access to resources currently controlled by the IOU. | | | CalCCA-Sponsored Bill; SJCE has worked closely to support |
| Legislative Program | Oppose Unless Amended | State Legislation | SB 6 | | Local planning: housing: commercial zones | Allows housing in commercial and retail areas. | | 4/13/21 to Scott Wiener | |
| Legislative Program | Oppose | State Legislation | SB 576 | Archuleta | Gambling: local moratorium | Authorizes an amendment allowing to increase the number of gambling tables that can be operated in a gambling establishment by 2 tables each calendar year, up to a maximum of 10 additional tables. | | 3/19/21 to Archuleta | CCGA is encouraging us to oppose this. |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | Expands the definition of rape and the criteria of what is defined as | | | |
| Legislative Program Legislative Program | Support | State Legislation | SB 508 | Stern | based services Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood | Authorizes an LEA to have an appropriate mental health professional provide brief initial interventions at a school campus when necessary for all referred pupils, including pupils with a health care service plan, health insurance, or coverage through a Medi-Cal managed care plan, but not triacts the winding revention, safe brinking water, brought. Preparation, and Flood Protection Bond Act of 2022, which would authorize the issuance of bonds in the amount of \$5,510,000,000 pursuant to the State General Obligation Bond Law to finance projects for a wildfire prevention, safe drinking water, drought preparation, and | Dead Gut and Amend Assembly Appropriations | 4/13/21 to Cortese 4/5/21 to Senate Committee on Health 3/11/21 to | |
| Legislative Program Legislative Program | | State Legislation State Legislation | SB 45 SB 364 | | Protection Bond Act of 2022 Pupil meals: Free School Meals For All Act of 2021 | Would establish the California Universal School Meal Program, allows free breakfast and lunches to continue to be available to all children beyond the COVID-19 public health crisis and establishes the Better Out of School Time (BOOST) Nutrition Program to prevent child hunger during regularly scheduled school breaks lasting a week or longer, or a campus closure caused by a natural | Suspense File Dead | Portantino Letter to Author 5/20/22 | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Program | Support | State Legislation | SB 31 | Cortese | Building decarbonization | Directs State Energy Resources Conservation and Development Commission to identify programs to promote building decarbonization. | Dead | 3/9/21 to Cortese | |
| Legislative Program | Support | State Legislation | SB 30 | Cortese | Building decarbonization | Natural gas ban for state agencies. SB 1410 modifies the vehicle miles traveled (VMT) regulations to limit the use to | | 3/9/21 to Cortese | |
| Legislative Program | Concern | State Legislation | SB 1410 | Caballero | Vehicle Miles Traveled | Transit Priority Areas (TPAs). In areas outside of TPAs, Levels of Service would be used to assess transportation impacts on the environment for projects subject to California Environmental Quality Act (CEQA) | Dead | Author 6/6/22 | expected BCM to oppose; bill gutted and turned into study bill; DOT still opposed? |
| | Support | | SB 1375 | | Nursing: Nurse Practioners | regulation, license, permit, or other authorization, to require a shared mobility service provider over which it has jurisdiction to provide to the regulating agency shared mobility service data, as defined, in a form that facilitates auditing, as prescribed. The bill would prohibit a regulating agency from disclosing deidentified shared mobility service data to another public agency | Signed into law | author 4/25/22 DOT to | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |
| Legislative Program Legislative Program | Support | State Legislation State Legislation | SB 1276 SB 1176 | | Department of Financial Protection and Innovation: loan-related activities: data analysis and practices | unless certain criteria are met, including the purpose of the disclosure is to The bill would require the department to seek information from regulators in other states that have enacted laws modeled after the CRA and identify best practices in administering those laws, review federal rules implementing the CRA, and provide recommendations on how the rules could be adapted and applied to examinations of licensees, as defined. The bill would further require the department, if any amendment is proposed to a federal rule implementing | Dead | Umberg Letter to Sen. Limon 5/24/22 | Housing thinks it might align with the CRA item in the Leg. Program; Housing is supportive of bill |

| CITY APPROVA PROCESS PATH - Standard - Expedited - Legislative Prog- | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Progra | m Support | State Legislation | SB 1160 | Durazo | Public postsecondary education: | Exempts certain nonimmigrant students from paying nonresident tuition | Dead | Letter to Author 5/20/22 | office of racial equity wants to support |
| Legislative Progra | m Support | State Legislation | SB 1142 | Caballero | Abortion Services | Directs the creation of a website to provide information on abortion services to the public and creates a grant program to support the provision of abortion services and research on equitable access to abortion. | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |
| Standard | Support | State Legislation | SB 1100 | Cortese | Public Disruptions of Meetings Controlled Substances: Firearm | This bill would authorize the members of the legislative body conducting a meeting to remove an individual for willfully interrupting the meeting. The bill, except as provided, would require removal to be preceded by a warning, either by the presiding member of the legislative body or a law enforcement officer, that the individual is disrupting the proceedings and a request that the individual curtail their disruptive behavior or be subject to removal. The bill would similarly require a warning before clearing a meeting room for willful interruptions by a group or groups. The bill would define "willfully interrupting" to mean intentionally engaging in behavior during a meeting of a legislative body that substantially impairs or renders infeasible the orderly conduct of the meeting in accordance with law. The term would include failure to comply with a reasonable regulation adopted in accordance with existing law after a warning and request in accordance with the bill, as applicable. By establishing new requirements for local legislative bodies, this bill would impose a state- | | 5/26/22 to Author Letter to Governor | CCAR Drafted 4/19/22 sent to CAO for review |
| | Monitor | State Legislation | SB 1070 | Melendez | Controlled Substances: Firearm Possession | | Dead | | |
| | Support | State Legislation | SB 1046 | Eggman | Compostable Produce Bags | Would reduce contamination in compost waste streams and reduce plastic waste by requiring pre-checkout bags in grocery stores to be reusable, recyclable, or compostable by January 1, 2025. | | Letter submitted to Chair Rivas from Napp Fukuda 6/10/22 | Supported by environmental services |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | ТОРІС | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | | Senate | | |
| Legislative Program | | | S. 747 (H.R. 1909) S. 3788 | | Citizenship for Essential Workers Act Housing for All Act | Would create an expedited pathway to citizenship for the more than 5 million essential workers without permanent legal status, which includes many who provided essential work during the pandemic. efforts by funding Housing Choice Vouchers, Project-Based Rental Assistance, and the emergency solutions grant program which includes services such as rapid re-housing assistance; (2) Allowing governments to better understand the connections between evictions and homelessness via a study by the Government Analyst's Office; (3) Supporting cities that are taking innovative approaches to addressing homelessness by | Subcommittee on Immigration, Citizenship, and Border Safety Senate Committee on Banking, Housing, | 3/17/21 Joint Letter from Mayor 2/18/22 Mayor/BCM to Padilla | |
| Legislative Program Legislative Program | | Federal Legislation | S. 1530 | Sanders | | Would allow school breakfast and lunch to be offered at no charge to all children. | Senate commmitee on Agriculture, Nutrition, and | Sign on 6/21/21 | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | Requires the Federal Communications Commission (FCC) to update and | House Subcommittee on Communications and | | |
| Legislative Program | | Federal Legislation | H.R. 870 | Eshoo | Future Act of 2021 | Establishes a dedicated working group to set data collection and reporting standards for key health indicators, with a particular focus on the social determinants of health. Develops common data standards for | House Subcommittee on | 4/14/21 to Eshoo | |
| Standard | Support | Federal Legislation | H.R. 831 | Peters | Health STATISTICS Act of 2021 | the highest-priority COVID data elements. | | 6/2/21 to Peters | |
| Legislative Program | Support | Federal Legislation | H.R. 6 | Royball-Allard | American Dream and Promise Act of 2021 | This bill provides certain aliens with a path to receive permanent resident status and contains other immigration-related provisions. | | 3/17/21 Joint Letter from Mayor | |
| Standard | Support | Federal Legislation | H.R. 1985 | Pascrell | Nursing Home Reform Modernization Act | Would expand the Special Focus Facility program under the Centers for Medicare & Medicaid Services and ensure that all facilities nominated for the program receive additional oversight, enforcement, and technical assistance. | | 6/2/21 to Pascrell | |
| | | | | | Farm Workforce Modernization | Establishing a "certified agricultural worker" immigration status and | | 3/17/21 Joint Letter | |
| Legislative Program | Support | Federal Legislation | H.R. 1603 | Lofgren | Act of 2021 | changing the H-2A temporary worker program. | Senate Judiciary | from Mayor | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Program | Support | Federal Legislation | H.R. 1177 (S. 348) | Sánchez (Menendez) | U.S. Citizenship Act of 2021 | President Biden's immigration reform plan. Includes an earned pathway to citizenship for 11 million undocumented immigrants, expands the refugee resettlement program, expands benefits for Deferred Action for Childhood Arrivals (DACA) recipients, and ends the public charge rule. | Subcommittee on | 3/17/21 Joint Letter from Mayor | |
| Legislative Program | Sponsor | State Legislation | AB 987 | Low | Electrical corporations: reporting | Requires Investor-Owned Utilities to provide additional reporting on the safety of IOU distribution equipment. Would establish an Emergency Funeral Expenses Fund for the State of California. The funeral assistance fund would reimburse low-income families for funeral expenses when the cause of death is directly related to a Governor-declared state of emergency and retroactively provide monetary assistance for COVID -19 related deaths. Was gut and | Dead Gut and Amend, | 4/5/21 to Low | |
| Legislative Program Legislative Program | Support | | | Garcia, Low | Emergency services Rape of a Spouse Early learning and care: complaints about discrimination and exclusion of children: Early | amended to be about date shakes. Expands the definition of rape and the criteria of what is defined as spousal rape as well as the prosecutorial efforts of spousal rape. Seeks to improve equity in early learning and care (ELC) programs by coalescing existing and new data in a way that will help state and local policy makers identify and address the structural and systemic barriers that prevent Black and Hispanic families and children from receiving | Dead Dead | 7/9/2021 4/15/21 to Christina Garcia and Evan Low 4/5/21 - to Assembly Committee on | |
| Legislative Program Legislative Program | Support Support Oppose Unless | State Legislation State Legislation | AB 452 | | School Safety: Firearms Notification Shared mobility devices: | This bill would require school boards to notify parents of their rights and responsibilities to ensure safe storage of firearms. School boards would consult with the Department of Justice to provide educational materials regarding | Signed into law | 3/14/22 to Friedman | Flagged by DOT. As of 6/25, DOT considering |
| Legislative Program | Amended | State Legislation | AB 371 | | insurance and tracking | | Signed into law | | an oppose unless amended position. |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҰРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | Stone (Chair), Holden, Kalra, Maienschein, Reyes, | Disability access: construction- | This bill would require, by July 1, 2023, the commission to develop toolkits or educational modules that focus on construction-related accessibility violations in parking lots and exterior paths of travel, including a checklist for businesses to recognize the most common construction-related accessibility violations in | | Letter to Author | |
| Legislative Program | Support | State Legislation | AB 2962 | and Robert Rivas | related accessibility violations | those areas. | Dead | 5/20/22 | |
| Legislative Program | Sponsor | State Legislation | AB 2883 | Ting | Firearms: notifications to firearm owners | This bill would require the department, upon request from a city, county, or city and county, to mail a notification, as specified, to all firearm owners of record within that jurisdiction, to inform them of any local code or ordinance imposing any new requirement upon firearm owners within that jurisdiction. The bill would require the city, county, or city and county making such a request to pay the cost to the department of the processing and mailing of the notifications. | | 3/16/22 Mayor to Ting | |
| Legislative Program | Support | State Legislation | AB 2863 | | Green building standards: bicycle parking | | | Letter to Author 5/20/22 | DOT wants to support |
| | | | | | Statewide Sexual Assault Response | AB 2850 would establish a statewide sexual assault response team (SART) | | | |
| Legislative Program | Support | State Legislation | AB 2850 | Berman | Team Advisory Council | advisory council for the purpose of promoting a prompt, multi-disciplinary, and victim centered response to sexual assault. | Dead | 3/20/22 to Berman | |
| Legislative Program | Support | State Legislation | AB 2766 | | Unfair Competition Law: enforcement powers: investigatory subpoena | This bill would grant the investigatory power granted to the Attorney General as a head of a department to the city attorney of any city having a population in excess of 750,000, to the county counsel of any county within which a city has a population in excess of 750,000, or to a city attorney of a city and county, when the city attorney or county counsel reasonably believes that there may have been a violation of the UCL. | | Letter to Maienschein 3/21/22 | CAO office is supportive |
| | | | | | | | | | |
| Legislative Program | Support | State Legislation | AB 2626 | | Medical Board of California: License Discipline: Abortion | | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |
| 78.3.3.3.7.08.4.11 | PP | | | | | Directs the Department of Public Health (DPH) to create a working group to study the root cause of reproductive and sexual health disparities throughout | <u> </u> | | , , , , , , , , , , , , , , , , , , , |
| | | | | | Reproductive and sexual health | the State of California and allocate grant | | 6/2/22 to bill | Laura Buzo - Assistant City Manager on family |

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| Legislative Program | Support | State Legislation | AB 2552 | McCarty | Firearms: gun shows and events | • | | 4/28/22 Letter to McCarty | |
| | | | | | | This bill would require the Department of Justice, if the department determines that a person prohibited from possessing a firearm by the provisions described above has attempted to acquire a firearm, to notify the local law enforcement agency with primary jurisdiction over the area in which the person was last known to reside. If the person is prohibited from owning or possessing a firearm for reasons relating to mental health, the bill would require the department to also notify the county department of mental health in the county in which the | | 5/9/22 Letter to | |
| Legislative Program | Support | State Legislation | AB 2551 | McCarty | Firearms Transportation funding: alignment | | | McCarty | |
| | Monitor | State Legislation | AB 2438 | Friedman | with state plans and greenhouse gas emissions reduction standards | | Dead | | |
| Legislative Program | Monitor | State Legislation | AB 2339 | Bloom | Housing Element: Emergency Shelters | The Planning and Zoning Law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city that includes a housing element. Existing law requires that the housing element identify adequate sites for housing, including rental housing, factory-built housing, mobilehomes, and emergency shelters, and make adequate provision for the existing and projected needs of all economic segments of a community. Existing law also requires that the housing element include an analysis of potential and actual governmental constraints upon the maintenance, improvement, or development of housing for all income levels. This bill would revise the requirements of the housing element, as described above, in connection with zoning designations that allow residential use, including mixed use, where emergency shelters are allowed as a permitted use without a conditional use or other discretionary permit. The bill would prohibit a city or county from establishing overlay districts to comply with these provisions. The bill would delete language regarding emergency shelter standards structured in relation to residential and commercial developments and instead require that emergency shelters only be subject to specified written, objective standards. The bill would specify that emergency shelters for purposes of these provisions include other interim intervention, including, but not limited to, navigation centers, bridge housing, and respite or recuperative | | | |
| | Support | Shah Laidai | AD 2226 | | Canad Safatu Care | This bill creates a five year pilot program authorizing San Jose five other cities to use speed cameras to enforce speed limits on their highest injury streets, in school zones, and on streets with a history of speed contests and motor vehicle | | 3/2/22 Mayor to | |
| | Support Monitor | State Legislation State Legislation | AB 2336 AB 2325 | Friedman Rivas | Speed Safety Cameras Homelessness Response | as the lead entity for ending homelessness in California, subsumes the California | | Friedman | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Legislative Program | Support | State Legislation | AB 2282 | Bauer-Kahan | Hate crimes: nooses, crosses, and swastikas | This bill would expand these offenses to include hanging a noose, placing or displaying a sign, mark, symbol, emblem, or other physical impression, including, but not limited to, a Nazi swastika, and burning, desecrating, or destroying a religious symbol, such as a cross, on public properties, such as school campuses, public parks, and other public spaces, at schools and public places, generally, as specified, for the purpose of terrorizing a person, as specified. The bill would, for the first and any subsequent convictions, conviction, punish a person who hangs a noose or places, noose, places or displays certain symbols, or burns or desecrates a religious symbol, as specified, with imprisonment for 16 months or 2 or 3 years, by a fine of not more than \$15,000, \$10,000, or both the fine and imprisonment, or by imprisonment in a county jail not to exceed one year, by a fine not to exceed \$10,000, \$5,000, or by both the fine and imprisonment. The bill would make conforming changes. For a 2nd or subsequent conviction under these provisions, the bill would punish a person with imprisonment for 16 months or 2 or 3 years, by a fine of not more than \$15,000, or by both the fine and imprisonment, or by imprisonment in a county jail not to exceed one year, by a fine not to exceed \$10,000, or by both the fine and imprisonment. | | 5/9/22 Letter to Bauer-Kahan | SJPD is neutral; ORE supports |
| eeg.sidave rrog.um | | State EEgistation | | | | This bill requires the Strategic Growth Council, by January 31, 2022, to complete an overview of the California Transportation Plan and all sustainable communities strategies and alternative planning strategies, an assessment of how implementation of the California Transportation Plan, sustainable communities strategies, and alternative planning strategies will influence the configuration of the statewide integrated multimodal transportation system, and a review of the potential impacts and opportunities for coordination of | | Bader Kantan | |
| Legislative Program | Monitor Support | State Legislation State Legislation | AB 2237 AB 2223 | | Active Transportation Programs Reproductive Health | Works to clarify existing prohibitions on criminal or civil penalties for pregnancy loss and provides for a new civil action to seek damages for an individual who | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | | | | |
| Legislative Program | Support | State Legislation | AB 2205 | | California Health Benefit Exchange: abortion services coverage reporting | Adds additional transparency requirements to the state's health care insurance regulatory framework. | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |
| | | | | | Birthing Justice for California | Establishes a three-year pilot program providing grants for full-spectrum | | 6/2/22 to bill | Laura Buzo - Assistant City Manager on family |
| Legislative Program | Support | State Legislation | AB 2199 | | Families Pilot Project | community doula care to underserved communities. This bill appropriates \$260,000,000 for the purpose of completing the Caltrain | | | policy - reviewed and approved of support |
| Legislative Program | Support | State Legislation | AB 2197 | Mullin | Caltrain Electrification | Electrification Project. | Dead | 3/19/22 to Mullin | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| Standard | Oppose | State Legislation | AB 2181 | Berman | VTA Reform | AB 2179 extends the critically-needed COVID-19 emergency rental assistance | Dead | | Received updated language on 4/19/22; Departments neutral; VTA issues "support if amended" letter on 5/17/22, with MSL as signatory; City discussing opposition, 6/6/22 |
| Legislative Program | Support | State Legislation | AB 2179 | Grayson/Wicks | COVID-19 Emergency Rental Assistance | program for tenants and landlords whose applications are pending as of March 31st, 2022, to ensure eligible applicants receive the assistance they desperately need. | | 3/30/22 to Wicks and Grayson | |
| Legislative Program; Rules Committee Directive | Sponsor | State Legislation | AB 2164 | Lee | ADA | State law currently requires local governments to collect a \$4.00 fee for business licenses and business permit renewals to fund programs expanding physical accessibility to businesses for individuals with disabilities. Under current state law, this fee drops to \$1.00 on or after January 1, 2024. This projected decrease in available funds—coupled with inflationary pressures and rising costs—threatens cities' and counties' abilities to stretch limited resources and continue successful accessibility compliance programs. This bill would (1) remove the January 1, 2024 fee sunset, enabling local governments to collect the \$4.00 fee indefinitely; and (2) clarify local jurisdictions' ability to use thee funds for accessibility-related grants for small businesses. | | 3/14/22 to Asm. Lee 8/16/22 to Governor | |
| Legislative Program | Support | State Legislation | AB 2134 | Weber | Reproductive Healthcare | Works to ensure equal access to affordable abortion and contraceptive services for all patients. | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | | | | |
| Legislative Program | Support | State Legislation | AB 2094 | Rivas | General plan: annual report: extremely low-income housing Disclosure of Information: | This bill would additionally require a city or county's annual report to include the locality's progress in meeting the housing needs of extremely low income households, as specified. Prohibits the release of medical information related to seeking or receiving an | | 3/16/22 Mayor to Rivas | |
| Legislative Program | Support | State Legislation | AB 2091 | | Reproductive Health and Foreign Penal Civil Action | abortion if this | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
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| | | | | | | This bill, upon appropriation of funds for this purpose in the annual Budget Act and until January 1, 2029, would require the Board of State and Community Corrections to establish a grant program to provide \$50,000,000 in grants to local law enforcement agencies to incentivize peace officers to work in local law enforcement agencies that are in underserved communities and to live in the communities that they are serving. The bill would require grant funds to be used to provide a 5-year supplement to peace officer salaries in local law enforcement agencies that are in underserved communities that have had a homicide rate higher than the state average for the past 5 years or more and where the peace officer lives within 5 miles of the office in which they work. The bill would require local law enforcement agencies that receive grants to report specified information to the board annually and would require the board to report to the Legislature and the Governor's office on the efficacy of the | | Letter to Author | |
| Legislative Program | Support | State Legislation | AB 2062 | Salas | Local law enforcement hiring grants | program, as prescribed, on or before July 1, 2028. This bill would specify that if a member of a legislative body elects to | Dead | 5/20/22 | |
| | | | | | | teleconference from a location that is not public, the address does not need to be identified in the notice and agenda or be accessible to the public when the | | | |
| Standard | Support | State Legislation | AB 1944 | Lee | Brown Act Reforms | legislative body has elected to allow members to participate via teleconferencing. | Dead | 4/5/22 to Lee | Council elected to support bill 3/29/22. |
| Legislative Program | Support | State Legislation | AB 1938 | Friedman | Traffic Safety | Last year's AB 43 was designed to provide local jurisdictions flexibility in setting speed limits somewhat lower than what is otherwise determined by the mechanistic 85th percentile methodology in state law, on a limited number of streets designated as safety corridors, in business activity districts, or near locations where vulnerable populations gather, such as bike lanes or near senior centers. Our city supports AB 1938, as amended to clarify a provision of AB 43 [Chapter 690, Statutes of 2021] to ensure cities maintain existing, pre-AB 43 authority to lower speed limits based on engineering judgement. | | Letter to Chair Gonzalez from the | Working with Wicks office to try and amend so that we can support it |
| | | | | | California Reproductive Health | Establishes the California Reproductive Health Service Corps to recruit, train, and retain a diverse workforce of reproductive health care workers to increase | | | Laura Buzo - Assistant City Manager on family |
| Legislative Program | Support | State Legislation | AB 1918 | | Service Corps | · | | | policy - reviewed and approved of support |
| Legislative Program | Support | State Legislation | AB 1850 | | Public housing: unrestricted multifamily housing | This bill would prohibit a city, county, city and county, joint powers authority, or any other political subdivision of a state or local government from acquiring unrestricted multifamily housing, as defined, unless each unit in the development meets specified criteria, including that the aggregate initial rent for the first 12 months all units post conversion is at least 10% less than the average aggregate monthly rent charged for the unit all units over the 12-month period prior to conversion and at least 20% less than the small area fair market rent. rent for at least half of the units. The bill would specify that those provisions do not apply to a development that is or will be subject to a regulatory agreement with the California Tax Credit Allocation Committee or the Department of Housing and Community Development. | | 6/2/22 to Bill Author | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҰРЕ | BILL # | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
|---|----------------------------|--------------------|---------|-------------|---|---|--|---|---|
| Legislative Program | Support | State Legislation | AB 1814 | | Transportation electrification: community choice aggregators | This bill makes Community Choice Aggregators eligible to participate in current California Public Utilities Commission programs. Community Choice Aggregators would be able to receive funding for transportation electrification programs in their service areas, helping to accelerate widespread transportation electrification, reduce fossil fuel dependence, improve air quality, and reduce greenhouse gas emissions. | Dead | 3/17/22 to Garcia | |
| Legislative Program | Support with Amendments | State Legislation | AB 1721 | Rodriguez | Emergency Management Funding | This bill would establish the Emergency Medical Services Mutual Aid Program, to be administered by OES, to support local government efforts in responding to surges in demand for emergency medical services and provide effective mutual aid during disasters, as defined. The bill would, upon appropriation by the Legislature, require OES to provide noncompetitive grant funding to local governments, special districts, and tribes for the purpose of acquiring emergency medical services, as specified. The bill would also require OES to provide an annual report to the Legislature regarding the program, as specified. | | 3/30/22 to Rodriguez | |
| Legislative Program | Support | State Legislation | AB 1666 | Bauer-Kahan | Abortion: Civil Actions | Prohibits out of state laws authorizing civil action against another person who receives, seeks, performs or induces, aids or abets an abortion to be enforced in California. | | | Laura Buzo - Assistant City Manager on family policy - reviewed and approved of support |
| Legislative Program | | State Legislation | | | Firearms: Ghost Guns | Existing law prohibits possession of a firearm that has had the serial number altered, removed, or obliterated, helps keep people accountable. Explains how it is prohibited for a firearm to not have a serial number, it cannot be in someone's possession. | | 5/9/22 Letter to Gipson | |
| Legislative Program | Зирроге | State LegislatiOII | ND 1021 | GIP30 | Thearms, Gilost Guils | Jointeone 3 possession. | Signed litto law | GIPSUII | |
| Legislative Program | Support | State Legislation | AB 15 | | COVID-19 relief: tenancy: Tenant Stabilization Act of 2021 | | Dead | 1/6/21 to Chiu | |
| Standard | Support | State Legislation | AB 1400 | Kalra | Universal Health Care | | Dead | 12/10/21 to Kalra | Directed by Council to Support on 11/30/21 |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҰРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
|---|---------------|---------------------|---------|-------------|---|---|--|--|---|
| Legislative Program | Support | State Legislation | AB 1322 | Rivas | California Global Warming Solutions Act of 2006: sustainable aviation fuel: production incentives plan | greenhouse gas emissions by 2045. The bill would require the state board, on or | Vetoed by Governor | 5/26/22 to Author | |
| Legislative Program | Support | State Legislation | AB 1321 | Lackey | Gaming establishments | and would explicitly authorize a city, county, or city and county to expand, by ordinance, the number of tables permitted in a gambling | Dead | 3/19/21 to Lackey | |
| Legislative Program | Oppose | State Legislation | AB 1091 | Berman | Santa Clara Valley Transportation Authority: board of directors | Replaces the current twelve-member Board with a nine-member Board of appointed professional citizens serving for four years, explicitly prohibiting elected officials from serving on the Board. | Dead | 4/7/21 to Marc Berman | |
| Legislative Program | Support | Federal Legislation | S. 3011 | Cornyn | State, Local, Tribal, and Territorial Fiscal Recovery, Infrastructure, and Disaster Relief Flexibility Act | | Passed Senate | Letter from Mayor to Pelosi and McCarthy | Finance wants to support |
| Legislative Program | Oppose | Federal Legislation | S. 4295 | Warner | Financial Data Transparency Act of 2022 Firearms and Ammunition: Excise | Would require the Municipal Securities Rulemaking Board (MSRB) to establish uniform data standards for local government (Section 203). The proposed standardization would result in an unfunded mandate and pose a significant burden to many local governments and public entities such as the City of San José and across the country, requiring identical financial reporting classifications across all types of local governments. Would impose a tax on firearm and ammunition sales to be reinvested into | Introduced | Letter from the Mayor 9/21/22 to Padilla and Feinstein Letter to sponsor | Finance wants to oppose |
| Legislative Program D1 | 3 Support | State Legislation | AB 1227 | Levine | Tax | | Dead | 8/22/22 | |

| CITY APPROVAL PROCESS PATH: - Standard - Expedited - Legislative Program - Delegation Request | CITY POSITION | ТҮРЕ | BILL# | LEAD AUTHOR | TITLE | TOPIC | STATUS (House and Committee Location) | Letters (Date/Committee or Addressee) | INTERNAL ACTION: (i.e. staff feedback, memo completed, approval status, Rules/Council Date, etc.) |
|---|---------------|---------------------|-----------|-------------|---|--|--|--|---|
| Legislative Program | Oppose | State Legislation | AB 1951 | Grayson | Sales and use tax: exemptions: | This bill would cut local budgets by more than \$2 billion over the next five years, reducing the revenues that fund behavioral health, social services, public safety, fire protection, another critical services. Over five years, it is estimated that the City of San José could potentially lose more than \$20million. | Vetoed by the | Sent letter to Governor 9/9/22 | |
| Legislative Program | Support | State Legislation | AB 965 | Levine | Gambling: licenses: gambling establishments | Extending the current moratorium on new cardroom licenses to January 1, 2033 while, most importantly allowing for reasonable table growth in existing cardrooms through the expiration and repeal of Business and Professions Code Section 19962 which currently prohibits table expansion through December 31, | | Letter to Dodd 8/26/22 | |
| Legislative Program | Support | State Legislation | AB 988 | Bauer-Kahan | Mental Health: 988 Suicide and Crisis Lifeline | Works to create an implementation structure and funding mechanism for a 988 hotline to connect individuals experiencing a mental health crisis with suicide prevention and mental health services | | Letter to Governor 9/13/22 | |
| Legislative Program | Support | Federal Legislation | H.R. 1595 | Perlmutter | Safe Banking Act | The bill also would allow cannabis and cannabis-related businesses to access | Senate Committee on Banking, Housing, and | Mayor signed on to letter to President and Congressional Leadership March 2022 | |



September 12, 2022

TO: City of San Jose

FROM: Steve Cruz and Stephanie Estrada, Cruz Strategies

RE: End of Session Legislative Report

UPDATES

- General Legislative Update

- State Budget Update

LEGISLATIVE ITEMS

- Brown Act Legislation
- Housing and Homelessness
- Transportation
- Climate-Energy
- Public Safety
- Health and Human Services
- Higher Education
- Ballot Measures
- Public Health (COVID-19 and Monkeypox)



General Legislative Update

Last month when the Legislature returned from the summer recess on August 1st, they had a month-long sprint until the end of session. The first two weeks of their return were focused on hearing all of the bills in the Senate and Assembly Appropriations Committees. All legislation with a state fiscal impact had to be considered during this time period. August 12th was the final day for bills to be heard in the Legislature's policy committee hearings. However, as usual, both houses held their suspense committee hearings on August 11 for their biannual financial culling. Known as the suspense file, these appropriation hearings allow lawmakers to review the financial costs of certain bills before they reach the Assembly or Senate floor for a vote. This year, approximately 800 bills were heard through this process.

After this deadline, the Legislature had two final weeks between August 15th-August 31st where they held nearly all-day floor sessions to take up the remaining bills for a final floor vote; no committees other than conference and Rules may meet for any purpose.

Given the 72-hour in-print rule established by the Constitution, bills cannot be amended in the final days of session. As such, the remaining budget trailer bills reflecting an agreement between the Legislature and Administration came out three days before the amendment deadline. These were mostly trailer bills with clean-up provisions on issues passed earlier in this year's budget, which was expected given the magnitude and volume of issues addressed in the summer budget. However, there were also some new funding items included related to drought and climate resiliency. More details on the budget trailer bills are included below. The 72-hour in-print rule also eliminates some of the last-minute controversial gut and amends that are usually customary during the end of session. There were a few high-profile items that were decided upon in the last few nights like the Governor's ambitious climate proposals and a bill that would extend the operation of PG&E's Diablo Canyon nuclear power plant - SB 846 (Dodd). August 31st at midnight was the last day for the State Legislature to pass bills for the 2021-22 Legislative Session. All bills that were passed by the Legislature are now on the Governor's desk for action, until September 30th to either veto or sign bills into law. There are approximately 900 bills awaiting on Governor Gavin Newsom's desk for action. Cruz Strategies staff will continue to monitor and advocate for priorities during the signing period, which ends on September 30, 2022.

The Legislature is now on recess and returns to their districts during the fall. The stakes are high this fall, as we enter into the November 8, General Election. All Assembly seats (80) and the (20) Senate seats are up for election or reelection in the newly established district boundaries in 2022. The current partisan breakdown is 31 democrats and 9 republicans in the Senate. The Assembly is made up of 60 democrats



and 19 republicans. According to Secretary of State numbers voter turnout hit an extreme low at 16.0% as of June 8, 2022, see our previous <u>June 7th Primary Elections Memo</u> which outlines the election results by district. In addition, the Secretary of State recently released the <u>certified list</u> of candidates coming up on the ballot. The last day to register to vote for the November 8, 2022, General Election is October 24, 2022.

Both the Senate and Assembly will return to the 2023 session on January 3rd.

There were a significant number of key appointments, a departure and changes to Governor Gavin Newsom's administration during the 2022-2023 legislative session. Most recently, Governor Newsom introduced former Los Angeles **Mayor Antonio Villaraigosa** as the Infrastructure Advisor to the State of California. Villaraigosa will be working with local, state and federal leaders to identify priority projects across all regions to leverage federal funding through the federal Infrastructure Investment and Jobs Act (IIJA).

Additionally, two key appointments within the climate/environmental arena were announced this month. The Governor announced Amelia Yana Garcia Gonzalez as the new Environmental Protection Secretary to replace Jared Blumenfeld in September and the chair of the CA Air Resources Board (CARB) announced Dr. Steven Cliff as CARB's new Executive Officer.

In the transportation area, there were two new appointments. **Toks Omishakin** was <u>appointed</u> Secretary of the California State Transportation Agency by Governor Newsom back in February. He previously served as Director of the California Department of Transportation (Caltrans) since 2019. Omishakin is an expert in the transportation industry with almost two decades of experience. Omishakin's vacancy at Caltrans was filled by the <u>appointment of Tony Tavares</u>. In June, Tavares was sworn in as the 34th Director of the California Department of Transportation (Caltrans). Tavares manages a nearly \$20 billion budget and more than 22,0000 employees who oversee California's critical transportation issues.

In July, Governor Gavin Newsom announced the departure of his Cabinet Secretary **Ana Matasantos**. For more than 15 years she has been an indispensable insider in Sacramento, depended on by politicians, parties, and agencies of all varieties for her expertise in the incomprehensible algorithms of state finance and systems. Montasantos has now been <u>appointed to the State Personnel Board</u> and the <u>University of California Board of Regents</u>.

New legislative changes include the California Latino Legislative Caucus elected Assemblymember Sabrina Cervantes and Senator Lena Gonzalez as the next Caucus Chair and Vice Chair. Assemblymember Cervantes is the first openly LGBTQ+, the first Latina millennial, and the first Inland Empire representative elected as Chair of the Caucus. In addition the 39-member California Legislative Women's Caucus announced they have elected Senator, and current Vice Chair, Nancy Skinner as the new chair of the



caucus, succeeding Assemblymember Cristina Garcia, and Assemblymember Cecilia Aguiar-Curry as vice chair.

State Budget Update

In early August, the Legislative Analyst's Office (LAO) released its <u>Overview of the 2022-23 Spending Plan</u>, a preliminary overview of the state's recently approved budget. The report provides information as to how the state allocated [insert toplines], as well as changes to ensure that the state remained below its State Appropriations Limit.

In addition, the LAO released a short <u>update</u> to their 22-23 revenue outlook, which suggests the state's "big three" taxes - personal income, sales, and corporation taxes - are more likely than not to fall below the Budget Act assumption of \$210 billion. The LAO stresses that "significant uncertainty" remains. The state could ultimately end up collecting anywhere from \$25 billion less than anticipated to as much as \$15 billion more — likely ending up about \$5 billion below projections.

The Legislature passed a final budget package on June 29, 2022, this included the official 2022-2023 Budget Act in SB 154 (Skinner), AB 178 (Ting) which amended the Budget Act of 2022-2023, and AB 180 (Ting) which amended the Budget Act of 2021-2022. However there were 27 additional trailer bills on a variety of subjects that were enacted into law on or before July 1, 2022, these trailer bills included issues like education, public safety, transportation, health and human services, housing and homelessness. Some additional budget trailer bills needed to be worked on over the summer recess, most significantly, the anticipation of the climate-energy trailer bill that was not included in the first batch of trailer bills. In late August, there were 13 new trailer bills and one new expenditure bill, known as the budget bill jr. The August trailer bills included clean-up provisions from some of the earlier budget items and also some new funding provisions, particularly related to energy and climate resiliency, public resources and various omnibus bills. Here are a few of the specific items of importance included in the budget trailer bills, but a full breakdown of the climate and resources funding is included here:

AB 179 (Ting) Budget Bill Jr.: The final budget bill jr., includes various technical adjustments to encumbrance periods, reversions, and reappropriations in various items in the 2022 Budget Act. Such as specification that \$75 million provided in the budget to the Office of Business and Economic Development is for Small Business Drought Relief Grants, however, if federal funds become available for this purpose, funds would be transferred to the General Fund or revert to the California Emergency Relief Fund.

AB 211 Public Resources Trailer Bill: This bill contains provisions necessary to implement the 2022 Budget Act. These provisions include establishing the Community Resilience Center Program, which is to be administered by the Strategic Growth Council, in coordination with the Office of Planning and Research.



Allocates funding to various programs in the Budget Act of 2021 related to natural resources. This bill also allocates funding to various programs in the Budget Act of 2021 related to natural resources.

SB 140 Personal Income Tax Law: Corporation Tax Law: exclusions from income: Paycheck Protection Program: This trailer bill contains changes necessary to implement the 2022 Budget Act relating to taxpayer relief. The Personal Income Tax Law and the Corporation Tax Law allow a small business hiring credit to a qualified small business employer, as defined, calculated based on net increase in qualified employees, as defined, over a specified period of time.

AB 209 Energy and Climate Change Trailer Bill: Establishes various program slike the Hydrogen Program at the CEC to provide financial incentives to eligible in-state hydrogen projects and the Equitable Building Decarbonization program at the CEC that includes a direct installation program and a statewide incentive program for low carbon building technologies. This bill also establishes the Clean Energy Transmission Financing Account within the Climate Catalyst Revolving Loan Fund to support clean energy transmission projects.

AB 156 State Government Trailer Bill: Allows the Department of Financial Protections and Innovations to issue a conditional license to debt collectors until Jan 1, 2023. It extends the sunset date of the precision medicine program to June 30 2029. Authorizes the Court Reporters Board of CA to issue shorthand reporting certificates for voice writers and clarifies that goat herders are subject to the same alternative minimum wage as the sheepherders. Lastly, it allocates \$100 million for the CA HOPE Opportunity, Perseverance, and Empowerment trust account program.

AB 157 State Government Trailer bill: Establishes the CA Small Agriculture Business Drought Relief Program to be administered by GOBiz in consultation with the Department of Food and Agriculture to assist small agricultural businesses that are severely affected by drought. It expands the infill infrastructure grant program of 2019 to provide funding to local jurisdictions for large scale and infill development and adaptive use.

<u>AB 204 Health Trailer Bill:</u> Establishes the Workforce Stabilization Retention Payment Program by offerring retention payments for clinic workers and eliminates copayments for Medi-Cal patients. The bill also clarifies that for practical support to access, abortion care services, financial or in kind assistance is allowed in the program.

AB 207 Human Services: States legislative intent for the Department of Social Services (DSS) to implement a full passthrough of child support payments collected to families currently receiving CalWORKs benefits by



January 1, 2025. Establishes, the Excellence in Family Finding, Engagement, and Support Program, administered by the DSS to conduct specialized permanency work with a focus on establishing and maintaining permanent connections for foster children

Cruz Strategies staff will continue to monitor established and extended state grant programs budgeted in the 2022-2023 state budget to keep track of details like eligibility and timeline for the release of applications.

Other Legislative Items

Brown Act Legislation

This year, there were a number of proposals introduced to make changes to the Brown Act, which addresses the rules governing public participation and attendance at meetings of local legislative bodies. There were three bills on this subject that ultimately passed the Legislature. SB 1100 by Senator Cortese has already been signed into law, but no action has been taken by the Governor yet on the other two bills (AB 2449 and AB 2647). Linked *here* is a more detailed memo that we previously provided that further outlines the impact of these bills, but for convenience, we have provided a shorten summary here too:

SB 1100 (Cortese) Open Meetings: Orderly Conduct: SB 1100 in certain circumstances permits the presiding member of a Brown Act legislative body, or their designee to remove or cause the removal of, an individual for disrupting the meeting. For purposes of this section "disrupting" is defined as: engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, one of the following:

- (A) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or any other law.
- (B) Engaging in behavior that constitutes use of force or a true threat of force.

AB 2449 (Rubio) Open Meetings: Local Agencies: Teleconferences: AB 2449 provides that until January 1, 2026, under certain circumstances (just cause, as defined or emergency circumstances, as defined) and on a limited basis, a non-majority amount of members of a Brown Act body may utilize virtual teleconferencing without publicly noticing their location and making that location accessible to the public.

AB 2647 (Levine) Local Government: Open Meetings: AB 2647 allows writings that have been distributed to members of a legislative body of a local agency less than 72 hours before an open, regular meeting to



be exempt from specified requirements of the Brown Act if the agency meets certain requirements.

Housing and Homelessness

During the legislative session, the Big City Mayor coalition advocated for Homeless Housing
Assistance and PreventionHHAP dollars to remain flexible and to be eligible to fund innovative interventions that help move people off the street including community cabins, congregate and non-congregate shelters and navigation centers, safe RV and vehicle parking, tiny home villages, safe sleep sites, safe storage sites, transition age youth (TAY) shelters, outreach and supportive services, workforce development services, counseling and mental health services. The Big City Mayors coalition requested an additional allocation of \$3 billion for Homeless Housing Assistance and Prevention (HHAP), \$1 billion for FY 22-23 and \$2 billion for two additional years. The final budget included \$1 billion in 2023-24 for the Homeless Housing, Accountability, and Prevention Program (HHAPP). The Governor's office has proposed to add additional restrictions to the 2023-2024 allocation, Cruz Strategies will be monitoring and keeping track of any new information.

In addition, there were two high-profile housing bills of the legislative session AB2011 (Wicks) and SB 6 (Caballero). After months of negotiations between the Carpenters and State Building Trades a deal was made with both bills advancing to the Governor's Desk. These two bills would:

AB 2011 (Wicks) Affordable Housing and High Road Jobs Act of 2022: The bill makes affordable housing, and specified mixed-use housing, by right on commercially zoned lands if projects meet strict affordability, labor and environmental criteria. The growing housing crisis in this state needs to be urgently addressed with a combination of solutions and innovative policies to expedite the building process.

<u>SB 6 (Caballero)</u> The Middle Class Housing Act of 2022: The bill requires that housing development proposals continue to abide by local parking, design, and other ordinances, and recognizes local inclusionary requirements. Further, SB 6 recognizes the need to provide a pathway for projects to move forward when the state's skilled and trained workforce requirements for contractors and subcontractors prove to be difficult to meet.

Please see below for a summary of other key housing legislation that was acted on at the end of session:

AB 2234 (Rivas) Planning and zoning: housing: post entitlement phase permits: The bill would impose short plan review timelines for large multi-unit housing developments and mandates local governments to offer a



costly electronic permit submission system, but provides no state funding to support this mandate

<u>SB 897 (Wieckowski) Accessory dwelling units: junior accessory dwelling units:</u> The bill would make numerous changes to the laws governing accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in ways that are unclear and difficult to interpret for counties.

<u>AB 2221 (Quirk-Silva)</u>:This bill would accelerate Accessory Dwelling Units (ADUs, aka granny flats or casitas) development by clarifying ambiguities in existing law and removing arbitrary barriers that some cities have imposed on ADU development.

<u>SB 886 (Wiener):</u> SB 886 will help universities build student housing faster and at lower cost by streamlining the environmental review process for housing on university-owned land that is neither at risk of fire, nor in a sensitive habitat.

<u>AB 2873 (Jones-Sawyer):</u> This bill will advance diversity, equity, and inclusion by requiring developers that receive state affordable housing dollars to report if the firms they contract with are owned and operated by people of color, women, or LGBTQ+ people.

<u>AB 2053 (Lee)</u>: AB 2053 would establish a new, statewide social housing program that would fund, build, and manage affordable housing for both rent and homeownership.

CARE Court

Earlier this year, Governor Newsom announced his proposal to create a state CARE Court program, which is a proposed framework to deliver mental health and substance use disorder services to the most severely impaired Californians who often suffer from homelessness or incarceration. The goal of this program is to connect a person in crisis with a court-ordered Care Plan for up to 12 months, with the possibility to extend for an additional 12 months. After introducing the idea, the Administration then sought a legislative vehicle to implement this proposal. After many months of difficult negotiations with the Administration and Legislature on this very issue, the two bills to implement the program (SB 1338 and AB 179) ultimately passed the Legislature and are now before the Governor for signature. Throughout the legislative process, individual local government agencies, along with the associations, have advocated for amendments to make the proposal workable, to provide the necessary resources and funding to counties to make this successful, and to help protect counties from potential liabilities associated with taking on this new responsibility. As a recap, the initial proposal (announced on March 3) required these new civil courts to be implemented with no state funding by July 1, 2023. However, local government advocates were able to secure the following improvements:



- Phased-in implementation: <u>SB 1338</u> now designates a first cohort of seven counties (Glenn, Orange, Riverside, San Diego, Stanislaus, Tuolumne and the City and County of San Francisco) to implement by October 1, 2023, with the remaining counties slated to implement by December 1, 2024.
- Start-Up Funding: <u>AB 179</u> now includes \$57 million in new state funding to address start-up costs.
 This includes \$26 million for the initial cohort of counties and \$31 million for all counties to plan and prepare for implementation.
- Ongoing Funding: <u>SB 1338</u> includes a statutory commitment that the CARE Act will become
 operative only upon consultation with county stakeholders, and developing a CARE Act allocation to
 provide state financial assistance to counties to implement the CARE Court process. We anticipate
 this process will be developed this fall for inclusion in next year's budget.

Structure:

- lengthening the time for county behavioral health agencies to submit evaluations;
- providing indemnity to counties for the actions of CARE Court respondents;
- engaging the presiding judge of a superior court on possible sanctions;
- ensuring that any fines paid as a result of sanctions are invested back into the sanctioned county for improvement of services, and
- o requiring health care services plans to reimburse counties for member evaluation costs.

Transportation

The Legislature and Governor reached agreement on a final package of transportation investments. The budget agreement appropriates the remaining \$4.2 billion in Proposition 1A High Speed Rail bonds, with legislative direction to prioritize the Merced to Bakersfield segment. The bonds are packaged as \$5.4 billion in General Fund investments through FY 2022-23 for transportation infrastructure, including transit capital, freight infrastructure, state and local climate adaptation, and local active transportation grants, as part of a broader \$10.8 billion four-year package. The appropriation of bond funding and General Fund allocations to transportation infrastructure were both contingent on passage of the transportation trailer bill (SB 198).

In 2021, the California Legislature passed AB 43 (Friedman), Chapter 690, Statutes of 2021. AB 43 made various changes to how speed limits are set to give local governments and the state more flexibility to lower



speed limits. Two of those changes included the ability to lower speed limits by 5 miles per hour (mph) on high injury streets, referred to as "safety corridors," and streets with a high concentration of bicyclists and pedestrians. AB 43 gave cities additional flexibility to lower speed limits in areas with high concentrations of bicyclists and pedestrians, as well as safety corridors where local authorities were experiencing the highest number of injuries and fatalities. Unfortunately, due to an issue of interpretation regarding statutory construction, the California Manual on Uniform Traffic Control Devices (MUTCD) is being proposed to be revised in a manner that takes away existing authority to set speed limits that deviate from the 85th percentile in areas that are not safe roads. That is why, gut-and-amend AB1938 (Friedman) also known as the "AB43 fix" clarifies that existing authority to deviate from the 85th percentile in the MUTCD as it read on March 31, 2021 shall remain an option to lower speed limits.

Other key transportation legislation includes:

AB2438 (Friedman) Transportation funding: guidelines and plan: This bill will require specified state transportation programs to align with state climate plans and goals. In addition, this bill will give the Administration unprecedented levels of control in setting priorities that apply to a broad array of transportation funding programs, both competitive and formula based, by requiring consistency with the Governor's Climate Action Plan for Transportation Infrastructure (CAPTI)

AB 2237 (Friedman) Transportation planning: regional transportation improvement plan: sustainable communities strategies: alternative planning strategy: state transportation funding: The bill would prohibit a regional transportation planning agency or county transportation commission from funding projects in a Regional Transportation Improvement Program not aligned with the state's climate goals or most recent Sustainable Community Strategy (SCS). It would also require the California Air Resources Board, in consultation with the Governor's Office of Planning and Research, to reallocate monies not consistent with the state's climate goals or most recent SCS and would create a task force to review the role and responsibilities of Metropolitan Planning Organizations. (DEAD)

Climate-Energy



Two weeks before the end of session, Governor Newsom introduced five bold climate proposals and began to seek Senate and Assembly authors to champion his proposals before the session concluded for the year. The five climate "pillars" that the Governor touted included:

<u>Codifying statewide carbon neutrality goal to dramatically reduce climate pollution.</u> Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045.

Ramping up our 2030 climate ambition. Adopts a more aggressive 2030 greenhouse gas emissions reduction target - going from 40% to 55% below the 1990 level.

<u>Protecting communities from the harmful impacts of the oil industry.</u> Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, or parks.

Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities.

<u>Establishing a pathway toward the state's clean energy future.</u> Creates clean electricity targets of 90% by 2035 and 95% by 2040 with the intent of advancing the state's trajectory to the existing 100% clean electricity retail sales by 2045 goal.

Advancing natural and engineered technologies to remove carbon pollution. Establishes a clear regulatory framework for carbon removal and carbon capture, utilization and sequestration. Requires the state to develop an achievable carbon removal target for natural and working lands.

With numerous off the floor policy committee hearings late into the night on the final three days of session coupled with opposition from many of the state's business groups, four of the five proposals advanced through the Legislature (AB 2133 was the only measure that failed). Here is a summary of the legislative vehicles that ultimately captured the Governor's climate ambitions:

<u>SB 905 (Caballero and Skinner)</u> – This bill is tied together with AB 1279 (Muratsuchi). SB 905 establishes the Carbon Capture, Removal, Utilization, and Storage Program (CCRUS) at the California Air Resources Board. By establishing a framework for CCRUS, this bill anticipates future requirements needed to meet



California's emission reduction goals. Specifically this bill includes the following:

- Requires CCRUS projects to minimize air and water quality impacts in surrounding communities.
- Requires the ARB to adopt regulation for unified permit application by January 1, 2025.
- Requires the ARB to promulgate regulations for financial responsibility for CCRUS projects and develop a database to track projects.
- Prevents double-counting of emission reductions by counting captured carbon as a reduction in carbon dioxide.

<u>SB 1137 (Gonzalez and Limon)</u> – This bill establishes health protective zones for oil and gas well setbacks. A health protective zone is considered an area within a 3,200-foot radius from a residence, school, community resource center, health care facility, or business that is open to the public.

<u>SB 1020 (Laird, Atkins, et. al)</u> – This bill established new targets under existing law requiring California to have 100% clean, zero carbon, and renewable energy policy for California's electricity system by 2045. Specifically, among other things, this bill:

- Adds 90% by 2035 and 95% by 2040 goals.
- Requires all state agencies to purchase 100% zero carbon electricity for themselves by 2035, this is specifically important for the State Water Project, which uses electricity to pump water over mountain ranges to Southern California and allows an extra 5 years for (until 2040) to come into compliance.
- Allows the California Independent System Operator to have confidential information on power purchase agreements to assist with transmission planning, as they are the entity in charge of maintaining the stability of our electric grid.

AB 2133 (Quirk) – This bill would have accelerated California's greenhouse gas reduction target for 2030 from 40% below 1990 levels to 55% below reduction levels, but ultimately failed on the Floor.

<u>AB 1279 (Muratsuchi)</u> – This bill codifies California's carbon neutrality goals, but also requires a reduction of greenhouse gas emissions of 85% below 1990 levels by 2045. AB 1279 gives the California Air Resources Board the flexibility to chart a path on how to meet these goals, while ensuring accountability and transparency throughout the process, as well as an opportunity to correct course by reassessing the feasibility and tradeoffs of the 85% goal.



<u>Diablo Canyon:</u> On September 2nd, Governor Newsom signed <u>SB 846 (Dodd)</u> into law, providing a path forward to extend the operation of PG&E's Diablo Canyon nuclear power plant for another five years past its 2025 scheduled retirement date. As an urgency bill, it took effect immediately upon the Governor's signature. In signing the bill, the Governor <u>clarified</u> that the rate recovery component is applicable only to electricity a customer uses from the grid and *not* a customer's self-consumption from rooftop solar. The Governor's signing statement was issued in response to last minute concerns from the solar industry.

Public Safety

In May, Governor Gavin Newsom, called on Legislative leaders to expedite gun reform and safety laws that will protect people from gun violence. The initial package of bills the Governor called for signature included:

AB 2571 (Bauer-Kahan): Firearms: advertising to minors: This bill prohibits firearm industry members from marketing or advertising firearm-related products to minors and authorizes public attorneys and injured plaintiffs to bring a civil action to enforce the prohibition, obtain injunctive relief, and seek either civil penalties, or, in some cases, damages for harms caused by a violation.

<u>AB 1621 (Gipson) Firearms: unserialized firearms:</u>This bill revises several definitions relating to firearm precursor parts and unserialized firearms and establishes various restrictions on the possession, sale, transfer, import, manufacture and assembly of serialized and unserialized firearms, and firearm precursor parts, subject to exceptions. Additionally, this bill repeals several provisions of law related to firearm precursor parts that are set to go into effect July 1, 2022.

<u>SB 1327 (Hertzberg and Portantino): Firearms: private rights of action:</u> This bill establishes a privately-enforced civil cause of action against any person who manufactures or causes to be manufactured, distributes, transports, or imports into the state, or causes to be distributed or transported or imported into the state, keeps for sale or offers or exposes for sale, or gives or lends certain firearms, including firearm precursor parts and assault weapons.

AB 1594 (Ting): Firearms: civil suits: This bill establishes the "firearm industry standard of conduct," which places a series of requirements on industry members and prohibits specified practices.

Other important public safety bills include:

<u>AB 1608 (Gipson): County Officers: Consolidation of Offices:</u> AB 1608 would have removed counties' ability to consolidate the offices of sheriff and coroner and would have required the offices of sheriff and coroner that were consolidated before January 1, 2023, to be separated. This presented many logistical, financial,



and personnel related concerns for the impacted counties, given the current shortage of medical examiners, particularly in rural areas of the state. For the counties that already have separate offices, this bill (and potential amendments from the California State Sheriff's Association) could have created an increased workload that was not associated with any guaranteed funding. Assemblymember Gipson brought the bill up for a vote at the very end of session, but he was not able to secure enough votes to move the measure off the Senate Floor.

AB 759 (McCarty): Elections: County Officers: This bill would change the election cycle for District Attorney and Sheriff races to be synced with the presidential election cycle, instead of gubernatorial election years, beginning with the 2028 presidential primary election. The author and sponsors claim that there is greater voter turnout during these election cycles, hence making the process more democratic. The original version of the bill also included County Assessors, but it was later amended to remove the bill from applying to that office. The District Attorney Association and the California State Sheriff's Association were both opposed to the measure. AB 759 passed the Legislature and is now before the Governor for consideration.

SB 262 (Hertzberg): Bail: SB 262 is the bail reform bill that became a two-year bill when Senator Hertzberg moved it to the inactive file at the end of 2021. The bill was revived again in the final days of this year's legislative session. Zero-bail was originally included in the initial version of the bill, but it was then amended to completely remove those provisions from the bill. It then proposed changes to court costs and how much surcharge a bail bondsman may retain in certain instances. SB 262 would have prohibited costs related to conditions of release from being imposed on someone being released on bail or on their own recognizance. The types of fees that could be prohibited include the costs of an ankle monitor, for example. The proposal would require the court to order the return of money or property paid to a bail bondsman by or on behalf of an arrestee to obtain bail under certain circumstances. Those include if the action or proceeding against the arrestee is dropped or if no charges were filed against the arrestee within 60 days of arrest. After a very heated debate in the final hours of session, SB 262 stalled on the Assembly Floor and didn't move forward.

Health and Human Services

AB 179 Budget Bill Jr includes several wins for health and human services. It includes \$70 million to implement a clinic workforce stabilization retention payment program to provide funds to eligible qualified clinics, including but not limited to federally qualified health centers (FQHCs) and rural health clinics (RHCs), to provide retention payments to clinic employees. AB 204, the Health omnibus trailer bill, specifies retention payments of up to \$1,000 per eligible clinic employee to support the public purposes of providing stability in the California qualified clinic workforce and retaining qualified health care workers. The retention payment program would only be implemented to the extent DHCS determines that federal financial participation under the Medi-Cal program is not jeopardized. The budget also includes \$150 million for family finding, engagement, and support to assist counties in identifying permanent connections for foster children and youth. The funding will be distributed through an allocation schedule and counties that elect to receive the funding will be required to provide a local match for 50% of the funding.



<u>AB 240 (Rodriguez) Local Health Department Workforce Assesment</u>: This measure requires the Department of Public Health to conduct an evaluation of the adequacy of local health department infrastructure and to make recommendations for future staffing, funding, workforce needs, and resources, in order to accurately and adequately fund local public health.

AB 988 (Bauer-Kahan) Mental health: 988 Suicide and Crisis Lifeline: This measure implements a statewide 9-8-8 suicide prevention and mental health crisis hotline as required by federal law. As recently amended, the bill requires the California Health and Human Services Agency to convene a state 988 advisory group consisting of various participants, including county representatives, to advise the Agency on a set of recommendations to support a five-year implementation plan for a comprehensive 988 system. Recent amendments also require health plans and insurers to cover medically necessary treatment, as specified, provided by call centers and mobile crisis teams. To support ongoing costs, the measure establishes a new surcharge initially set at \$0.08 per access line per month, and beginning January 1, 2025, at an amount specified by formula to be capped at \$0.30 per access line per month. AB 988 was approved by the Legislature and moved to the Governor's desk for consideration.

SB 1302 (Portantino) School-based Health Centers: Grant Program: Mental Health Services Act: This measure appropriates \$250 million from the Mental Health Services Fund to support school-based health centers through grants issued by the Superintendent of Public Instruction. Although the intent of establishing and improving the provision of behavioral health services to students at school-based health centers is meritorious, counties oppose any effort to redirect Mental Health Services Act (MHSA) funding to other services instead of the local services for which it was originally intended. The bill sis now at the Governor's desk for his consideration.

<u>SB 1342 (Bates) Aging multidisciplinary personnel teams:</u> This bill would authorize counties and area agencies on aging to create aging multidisciplinary teams (MDTs) to allow for information sharing among entities providing services to older adults. Modeled off of the homelessness MDTs authorized by 2017 legislation, these aging services MDTs would improve service delivery, increase coordination, and support integrated case management. This bill is also awaiting at the Governor's desk for action.

<u>SB 872 (Dodd) Pharmacies: Mobile Units:</u> This measure authorizes a county or a city and county to operate a licensed mobile unit to provide prescription medication to individuals within the county's jurisdiction, subject to specified criteria. This bill was signed by Governor Newsom on August 29.

<u>SB 928 (Wieckiwski) Public Administrators: Compensation:</u> This measure increases the minimum fee a county Public Administrator may charge for managing estates and making final arrangements for descendants without known or willing relatives. The minimum compensation threshold of \$1,000, which was



set nearly 20 years ago, will increase to \$3,000 beginning on January 1, 2023. SB 928, while modest, will help Public Administrators recover some costs, where appropriate, associated with managing the estates and probate process for descendants.

Education

California's public education system is administered by the Department of Education, under the direction of the State Board of Education and the Superintendent of Public Instruction, for the education of approximately 6 million students in grades kindergarten through twelve in more than 10,000 schools throughout the state. The public education system is made up of 58 county offices of education which includes more than 1,000 local school districts.

As previously reported, the budget includes a total base increase of \$600 million Proposition 98 General Fund in 2022-2023, according to the LAO, the Prop 98 reserve would reach \$9.5 billion under the spending plan. The state budget also invested in data collection through its proposal to collect and track transitional kindergarten pupil data as a distinct grade. In the higher education space there was \$64 million in one-time funding included in the budget to establish the Equitable Placement and Completion Grant Program. This critical investment will provide funding to community colleges to help students complete college-level math and English. More importantly, there was the enactment of the Cal Grant Reform Act in the final budget. However, that funding to provide Cal Grants to newly eligible students will remain contingent on available revenues in 2024.

Important education bills include:

<u>AB2517 (Bonta) California Coordinated Neighborhood and Community Services Grant Program:</u> Establishes the "California Coordinated Neighborhood and Community Services Grant Program" (Program) to provide competitive awards to eligible entities to implement comprehensive, integrated continuum of cradle-to-career (C2C) solutions

AB 2046 Medina) University of California, Merced, and University of California, Riverside: Requires moneys appropriated by the Legislature in the annual Budget Act during the 2022-23 to 2024-25 fiscal years, to directly support campus expansion projects and University of California (UC) climate initiatives at the UC Riverside (UCR) and the UC Merced (UCM) campuses supplement and not supplant any current or future funding.

AB552 (Quirk-Silva) Integrated School-Based Behavioral Health Partnership Program: Authorizes local



educational agencies (LEAs) and county behavioral health agencies to enter into an Integrated School-Based Behavioral Health Partnership Program to provide school-based behavioral health and substance abuse disorder services on school sites, and authorizes the billing of private insurance providers for these services under specified conditions.

AB2598 (Weber) Pupil rights: restorative justice practices: Requires the California Department of Education (CDE) to develop and post on its website by June 1, 2024, evidence-based best practices for restorative justice practices for local educational agencies (LEAs) to implement to improve campus culture and climate.

Reproductive Health

In May, Governor Gavin Newsom proposed an augmented reproductive health package of \$125 million to strengthen protections and expand access in California. Newsom's proposal would provide new investments in reproductive health facilities, remove barriers to services and help cover the cost of uninsured patients. This reproductive health package adds \$57 million to January's \$68 million proposal. A few of the key items included:

- **\$20 million** one-time General Fund for clinical infrastructure within the Department of Health Care Access and Information to provide scholarships and loan repayments to a variety of health care provider types that commit to providing reproductive health care services.
- \$20 million one-time grant funding to the Department of Health Care Access and Information to assist reproductive health care facilities in securing physical and information technology infrastructure and to enhance facility security.
- \$40 million General Fund one-time, available over six years, for the Department of Health Care Access and Information to award grants to reproductive health care providers to offset the cost of providing care to low and moderate income individuals who do not have health care coverage for abortion care services.
- \$15 million General Fund one-time for the California Reproductive Justice and Freedom Fund for the Department of Public Health to award grants to community-based reproductive health, rights, and justice organizations to conduct medically accurate and culturally competent outreach and education on sexual health and reproductive health issues.

COVID-19 Update

AB 152 COVID-19 relief: supplemental paid sick leave

This bill makes necessary changes to implement COVID-19 relief provisions adopted as a part of the Budget Act of 2022

1. Additional Changes to the COVID-19 Supplemental Paid Sick Leave program. Makes two changes:



- a. Extends the expiration date for the provisions of 2022 COVID-19 Supplemental Paid Sick Leave program contained in SB 114 from September 30, 2022 to December 31, 2022
- b. Under existing law if an employee is receiving additional Supplemental Paid Sick Leave, then an employer may require the employee to submit to a second diagnostic test on or after the fifth day after the first positive test that entitled the employee to the additional Supplemental Paid Sick Leave and provide documentation of those results. This bill further authorizes the employer to require, if that second diagnostic test for COVID-19 is also positive, the employee to submit to a third diagnostic test within no less than 24 hours and requires the employer to provide the second and third diagnostic tests at no cost to the employee. Finally, the bill specifies that the employer has no obligation to provide additional COVID-19 supplemental paid sick leave for the employee who refuses to submit to these aforementioned tests.
- 2. California Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program. Establishes this program within CalOSBA to assist qualified small businesses and nonprofits, with between 26 to 49 employees, for incurring costs for COVID-19 supplemental paid sick leave AB 152 (Committee on Budget) pursuant to Sections 248.6 and 248.7 of the Labor Code, through administration of grants. Defines qualified small business or nonprofit and outlines eligibility guidelines for the Program. Authorizes the Department of Finance to increase the appropriation for the grants by up to \$70 million if General Fund savings are achieved due to increases in federal funds and authorizes the Department of Finance to transfer this sum from the General Fund to the California Emergency Relief Fund for this purpose. This authorization would increase the total appropriation for the program to up to \$320 million.

Public Health Crisis - Monkeypox

Governor Newsom proclaimed a state of emergency in response to the Monkeypox outbreak on August 1, 2022. The order helps coordinate a multi-agency government response and seek out additional vaccines to slow down the infections. Access to the antiviral prescription used to treat monkeypox has been severely limited. In addition, Senator Weiner led the submission of a letter signed by a group of legislators asking for approximately \$38 million in this year's budget for counties to address monkeypox. Following that, the state Senate formed a Select Committee on Monkeypox chaired by the senator. The committee held an oversight hearing on August 9 th to hear from the field on how the state can help improve its response to the ongoing outbreak. A memo with more detailed information from the August 9th hearing can be found here.

Additionally, Budget Bill Jr. AB 179 provides a total of \$41.5 million of General Funds to the Department of Public Health for purposes related to the monkeypox state of emergency and includes provisional language authorizing the Department of Finance to request additional funding necessary for the State's response. Of this amount, \$15.75 million supports community response to monkeypox including \$1.5 million that shall be



used for grants to community-based organizations to support the administration of monkeypox vaccinations.

Qualified 2022-2023 Ballot Measures

- **Proposition 1:** Provides a state constitutional right to reproductive freedom, including the right to an abortion and to choose or refuse contraceptives.
- Proposition 26: Legalized sports betting at American Indian gaming casinos and licensed race tracks in California. Imposes 10% tax on sports-wagering profits at horse-racing tracks; directs portion of revenues to enforcement and problem-gambling programs.
- Proposition 27: Legalizes mobile sports betting and dedicates revenues to the California Solutions to Homelessness and Mental Health Support Account and the Tribal Economic Development Account.
- Proposition 28: Provides additional funding for arts and music education in all K-12 public schools (including charter schools) by annually allocating from the General Fund an amount equaling 1% of required state and local funding for public schools.
- Proposition 29: Would enact staffing requirements, reporting requirements, ownership
 disclosure, and closing requirements for chronic dialysis clinics. The measure would also prohibit
 clinics from refusing to care for a patient based on the patient's form of
 payment.
- Proposition 30: Increases the tax on personal incomes above \$2 million by 1.75% and dedicates revenue to Zero Emission vehicle projects and wildfire prevention programs.
- Proposition 31: This measure upholds the ban on flavored tobacco sales. The ban is upheld by Senate Bill 793 (SB 793), which was signed into law on August 28, 2020. SB 793 was designed to ban the sale of flavored tobacco products and tobacco product flavor enhancers, with exceptions for hookah tobacco, loose leaf tobacco, and premium cigars.

UPCOMING DEADLINES

- **Sept. 30** Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1
- Oct. 2 Bills enacted on or before this date take effect January 1, 2023.
- Nov 8 General Election.
- Nov. 30 Adjournment sine die at midnight



• **Dec. 5** 2023-24 Regular Session convenes for Organizational Session at 12 noon.