



2023 Legislative Budget Goals

Each year, the Committee reviews the top legislative goals that the County is currently monitoring and/or advocating for specific State/ Federal funding consideration. While there are many legislative issues that staff are tracking, monitoring and responding to, these are the top goals we would like to achieve this fiscal year that have significant budgetary impacts to the County:

Goal 1) Advocate for Long Term Funding/ Sustainability for Homelessness programs

Homeless Interim Emergency Housing Services is a critical need for the County moving forward. A number of homelessness programs have been funded through one-time funding allocations (estimated at \$5 million annually), such as ARPA, but the County lacks the resources to maintain long term funding for those services. We request that legislation address the housing crisis that Santa Barbara County is facing and that as a result of a lack of dedicated operations and services funding there is a barrier to creating interim and long term safe and affordable housing. Most budgetary resources for housing are focused on the initial infrastructure or initial operational costs while lacking the services component. In order to create 100 successful housing units, the services component is crucial. By providing additional housing supports services and operations funding to Santa Barbara, the Administration and Legislature would mitigate the harm to those experiencing homelessness or at risk of homelessness, which includes individuals who are the most vulnerable and often marginalized in our community. The creation of these housing options would become sustainable. The goal is to promote housing stability immediately and address the individual's well-being on an as-needed and entirely voluntary basis by a focused services approach. Access to safe and stable housing is critical for all residents.

Goal 2) Affordable and Clean Energy Infrastructure/ Initiatives to Combat Climate Change

In 2009, the County of Santa Barbara instituted immediate, cost-effective, and coordinated steps to reduce the County's collective greenhouse gas (GHG) emissions. Subsequently, the County set a goal to reduce GHG emissions 50% by 2030. While the County has since accelerated sustainability initiatives, including making clean energy upgrades to public facilities and starting to transition our fleet to zero emission vehicles it lacks the staffing and financial resources required to move GHG emission reduction activities forward at the pace required to meet local and state climate goals. While the County has a Zero-Net Energy Policy for newly constructed buildings, it lacks sufficient financial resources to retrofit existing building with clean energy technologies such as heat pumps, solar and battery storage. Many County buildings are considered critical facilities and need to operate in the case of power outages and continue to provide services. Additionally, the County has goals to electrify its fleets but needs assistance with building out the needed charging infrastructure to support that transition for our own fleet and address community charging needs from transit operators, schools and the general public. While rebates, incentives and tax credits are an essential component to move these types of projects forward, ongoing funding to support staff working on GHG emission reduction activities is also an essential component. The County prioritizes funding that would expand infrastructure and upgrade technology for supplying modern and sustainable energy services and funding that furthers initiatives that would help combat

climate change.

Goal 3) Allow Cannabis Inter-State Commerce and Federal Banking Options to Reduce Illegal Activity

Declassifying cannabis as a Schedule I drug to remove all conflicts under federal law is imperative to the future of a well-regulated, legal cannabis market. This action will lead to inter-state commerce and additional banking services for the cannabis industry. Santa Barbara County wants to encourage a well-regulated cannabis industry, eliminate illegal cannabis operations, and protect the health, life, safety, and general welfare of residents in coordination with State and Federal government. Legalization of Adult-Use Cannabis offers local government the opportunity to generate significant revenues through the regulation and taxation of the cannabis market. San Barbara County uses the revenues from cannabis operators to fund community infrastructure and services such as parks, roads, public facilities, planning, public safety, and housing & homelessness programs.

Goal 4) Seek More Equitable Backfill for Elimination of 340B Savings for Public Health Department – Impact \$4.2 Million

In January 2019, Governor Newsom signed Executive Order N-01-19 to create a single-purchaser system for prescription drugs in California. Medi-Cal Rx, a component of this system, has transitioned pharmacy services in Medi-Cal Managed Care to fee-for-service on January 1, 2022, eliminating \$4.2 million in pharmacy revenues that the Public Health Department's five health centers and three shelter clinics received from the 340B Drug Discount Program (340B). This will have a devastating long-term impact on the health care centers and the 30,000 residents served. In an attempt to mitigate this significant loss of savings, the Legislature proposed, and Governor Newsom signed the 340B Supplemental Payment Pool intended to provide supplemental payments to specified non-hospital clinics who participated in the federal 340B pharmacy program. However, the supplemental payment pool distribution has resulted in a distribution that represents only around 10% (approximately \$450,000 or less) of the intended backfill. The loss of \$4 million in 340B savings will impact access to care and health centers will eliminate services. It is critical Santa Barbara County advocate to protect these savings in order to provide reasonable and affordable access to health care services for our residents.

Status: County submitted this project detail as a budget request in February 2022.