

**SANTA BARBARA COUNTY
BOARD AGENDA LETTER**



Clerk of the Board of Supervisors
105 E. Anapamu Street, Suite 407
Santa Barbara, CA 93101
(805) 568-2240

Agenda Number:

Prepared on: 10/01/02
Department Name: County Administrator
Department No.: 012
Agenda Date: 10/08/02
Placement: Departmental
Estimate Time: 1 hour
Continued Item: NO
If Yes, date from:

TO: Board of Supervisors

FROM: Michael F. Brown
County Administrator

STAFF CONTACT: Jim Laponis, Deputy County Administrator
Lori Norton, Analyst, 568-3421

SUBJECT: Renewal of Legislative Advocate Contract with Governmental Advocates, Inc. and Annual State Legislative Report

Recommendation:

That the Board of Supervisors:

- A. Authorize the County Administrator to enter into an agreement for legislative advocacy services with Governmental Advocates, Inc. (Cliff Berg), a non local vendor, for the period November 1, 2002 through October 31, 2003, in an amount not to exceed \$58,280.
- B. Receive the Annual State Legislative Report

Alignment with Board Strategic Plan:

The recommendation is primarily aligned with Goal No. 1: An Efficient Government Able to Respond Effectively to the Needs of the Community.

Executive Summary and Discussion:

Since March 1995, the County has contracted for state legislative advocacy services with Governmental Advocates, Inc. (Cliff Berg). The current contract with Governmental Advocates, Inc. expires on October 31, 2002.

Mr. Berg has proven to be a knowledgeable, hard working effective advocate, whose expertise has been extremely valuable to our state legislative efforts. Therefore, we recommend renewal of the contract with Governmental Advocates for one year, for a total not to exceed the amount of

\$58,280. This is the same amount as the fiscal year 2001-2002 contract. The total includes a monthly retainer of \$4,690 plus up to \$2,000 annually in reimbursable expenses.

Further, it is recommended that Mr. Berg present the 2002 State legislative report to your Board. In addition to providing information regarding the results of Legislation which the Board has sponsored and/or which the Board has taken a position, Mr. Berg will be available to respond to Board questions related to the legislative program and services provided by Governmental Advocates Inc.

Mandates and Service Levels:

The Legislative Program is not mandated.

Fiscal and Facilities Impacts:

The adopted budget includes sufficient funding for renewal of the annual contract with Governmental Advocates.

Attachments

c: Cliff Berg, Legislative Advocate, Governmental Advocates, Inc.

TO: Board of Supervisors, County of Santa Barbara
FROM: Cliff Berg, Legislative Advocate
RE: Legislative Wrap-up 2002
Date: October 8, 2002

I. General Observations

The 2001-2002 California Legislative Session adjourned on August 31, 2002. Governor Davis had until September 30, 2002 to sign or veto legislation. If he takes no action the bill would become law. This year was the most difficult for the Davis Administration since he took office. The budget deficit continued to climb, with a budget impasse that lasted 62 days. The lack of funds forced the legislators to learn to cut back on legislative proposals to create or expand new programs.

II. Significant Legislation Affecting Santa Barbara

- A. AB 2777 (Nation) County Employees' retirement: death benefits. This was a Santa Barbara-sponsored bill that allows Santa Barbara, Los Angeles and Marin County Board of Supervisors to amend 1937 Act Retirement Systems to provide domestic partners with various benefits available to spouses. The bill is identical to the Santa Barbara supported SB 1049 from last year by Senator Jackie Speier, which was signed into law last fall. The Governor signed AB 2777 into law on September 5, 2002. The Governor did requests that domestic partners be required to register with the Secretary of State in order to be eligible once the Board of Supervisors votes to offer these benefits.

- B. AB 1573 (Maldonado) Tidelands Revenue: apportionment to the counties and cities. The bill was stalled last year in Senate Appropriations Committee when Senator Burton and Senator Bowen expressed many concerns about additional offshore oil drilling. The bill would have extended the sunset date currently in existing law, which sunset as of last year. The fund provides local coastal cities and counties with environmental mitigation funding from the tideland and submerged lands leased for any new oil and gas development in the state tidelands within the city or county boundary. Assembly Member Maldonado was requested to talk with Senator Burton to allow him to release the legislation. Prior to that conversation, the bill was highjacked by Assembly Member Pescetti and used for another vehicle. Assembly Member Maldonado was not aware of this until we informed his office, at which time the damage had been done. This should be reviewed to see if politically it could move next year.

- C. AB 363 (Steinberg) Attorneys: whistle blower protections. The county worked closely with Asm. Steinberg to ensure that amendments were taken to clarify that this bill is intended to protect attorneys rather than hold them accountable when such violations occur. The additional amendments that were requested were technical in nature but critical to ensure the bill is properly codified and appropriately used if signed into law. The bill was vetoed by the Governor. The bill codifies the ability of the attorney who learns of improper governmental activity in the course of representing a governmental organization to urge reconsideration of the matter and to refer it to a higher authority in the organization.
- D. SB 910/SB 498 (Dunn) General Plans: Housing Elements. The County opposed this bill. The bill was a two-year bill and began to move towards the end of session. After many exhausting meetings with the author Assembly Members Lowenthal and Wiggins (the chairs of the committees that the bill would have to go through) the proposal was stripped out of SB 910 and dropped into SB 498. The author refused to take a last set of amendments that would address the major conflicts regarding the housing element enforcement. The author stated that these last amendments would compromise the bill to a level that he was not comfortable carrying. The committee chairs worked closely with Senator Dunn as well as the League of Cities, CSAC, the California Chapter of the American Planning Association along with various other counties and interested parties. The bill died in committee due to Senator Dunn's unwillingness to take these amendments. We are certain that this issue will be a top priority for the Senator next year. Governmental Advocates will continue to work closely with all the parties involved to try to create a fair proposal.
- E. AB 2251 (Nation) Sudden Oak Death. Santa Barbara supported this bill. The bill was signed into law on September 25, 2002. This measure will establish a program within the California Department of Forestry and Fire Protection to detect, remove, and treat trees infected with the fungus that cause Sudden Oak Death (SOD). It will require CDF to provide information and technical assistance to cities, counties, districts, regional entities, homeowner neighborhood groups, and non-profit organizations on SOD. There is funding in the budget for \$2 million that is intended for this bill, though it is not directly stated.
- F. AB 947 (Jackson) Pesticides: school sites. The county supported this bill, it was a two-year bill held from last year. The Governor signed the bill into law on September 11, 2002. This bill would increase the current penalty of \$1,000 maximum to \$5,000 maximum per violation if pesticide drifts or potential exposure to pesticides that are released within one-quarter mile of a school site.

- G. AB 1984 (Steinberg) After school programs: high school pupils. This bill was supported by the county and currently awaits action by the Governor. The bill would establish the 21st Century High School After School Safety and Enrichment for Teens program. It would create incentives at the local level to those communities that establish after school enrichment programs for high school pupils in the hours after the regular school day.
- H. SB 1816 (Chesbro) Historical resources: Native American sacred sites: violations. The County opposed this bill in its original form, however, after many negotiations, Santa Barbara was able to go neutral while keeping a close eye on the bill as it continued to move forward. The bill is sitting on the Governor's desk awaiting action. The bill would establish the Native American Historic Resources Protection Act, which states that anyone who willfully or maliciously excavates or removes, destroys, injures or defaces a Native American historic, cultural, or sacred site that is currently listed as such is guilty of a misdemeanor.
- I. SB 1828 (Burton) Mining: Historical resources affected Native American sacred sites. The County opposed this bill and actively participated with a variety of coalitions with similar concerns. The Governor vetoed the bill on September 30, 2002. The bill was of concern because it transferred local control of development to Indian Tribes.
- J. SB 1732 (Escutia) Trial Court Facilities. This bill would establish a governance structure and a procedure for the transfer of court facilities from the counties to the state; it would also codify the consensus recommendations of the Task Force on Court Facilities. This is viewed as an important step toward the process of centralizing the responsibility for trial courts with the state. The bill was signed into law on September 29, 2002.
- K. AB 1122 (Corbett) Taxation: Federal conformity. This bill was supported by the County. The bill was signed into law on May 8, 2002. The bill provides federal conformity to Economic Growth and Tax Relief Reconciliation Act (EGTRRA) pension provisions. As you may recall there were a variety of Tax Conformity bills that were introduced and moved though quickly in order to conform to the federal standards that were implemented in 2001.
- L. AB 131 (Corbett) Taxation: Federal Conformity. The bill was signed into law on April 26, 2002. Santa Barbara supported this measure. This bill permits rollover of eligible deferred compensation balances from 457 and 403 (b) plans (which are the Government plans.)
- M. SB 657 (Scott) Taxation. Federal Conformity. This bill was supported by the County. The bill was signed into law on May 8, 2002. This bill was a companion measure to AB 1122.

- N. AB 680 (Steinberg) Sacramento Regional Smart Growth Act of 2002. The county had a “Watch carefully” position. The proposal would have reallocated the Bradley-Burns sales tax revenue growth above the 2002 base amount, within the Sacramento region on the following basis: one-third to the city or county where sales tax is generated, one-third on a per-capita basis, and one-third based on “housing eligibility”. The bill was set in Senate Local Government however, never received a hearing due to the lack of votes the Assembly Member had for the bill.
- O. AB 1886 (Jackson) Vehicles: school zones fines. This bill was supported by the County. The bill initiates a pilot program for the counties of Santa Barbara, Ventura, and Alameda that imposes a double fine when a violation is committed in a specified school zone. The bill is similar to the “cone zone” bill that was implanted a few years ago and has been very successful. The bill was signed into law on September 16, 2002.
- P. SCA 7 (Burton) Access to Government Information. This bill was called the “Sunshine in Government Constitutional Amendment.” Santa Barbara County opposed this measure. The measure would have authorized the Legislature to provide by statute and the Judicial Council to provide by rule for other limitations on the right to public access to governmental meetings and records solely to protect public safety or private property, to ensure the fair and effective administration of law, or to provide for the preservation of public funds and resources. The bill did not receive the rule waiver that was necessary for it to be heard in the Assembly.
- Q. AB 2943 (Wiggins) Seawalls. The County watched this bill carefully. The bill gives the Coastal Commission discretion as to whether or not to grant a coastal development permit for a seawall that is necessary to serve a coastal dependent use or to protect an existing structure. The bill was moved to inactive file by Senator Chesbro on the last day of session therefore allowing the bill to die on the Senate floor. This is usually as a courtesy to the author.
- R. AB 2004 (Correa) Retirement Benefit enhancements. The County watched the bill. The Governor vetoed this bill on September 30, 2002. The bill would have permitted legislative employees to elect to make changes to their PERS system retirement to receive an additional 5 years of service credit. The bill was vetoed because the Governor believed it gave special treatment to legislative staff that other state employees are not currently eligible to receive.

III. Significant Statewide Issues Impacting Santa Barbara

- A. Budget – This year’s \$99 billion dollar budget passed and was signed 65 days late. With the budget in place the Governor could begin to receive legislation that had an impact on the state’s appropriations. Although

many critical programs were cut in the legislative process, the Governor was also liberal with his “blue pencil”. These reductions increased the fiscal burdens on the County. However, given California’s fiscal crisis, the cuts were not as deep as they could have been. I have detailed some of the programs and their funding levels below:

1. COPS/Juvenile Justice – The budget contains the same amount of funding that the program received last fiscal year. The \$232.6 million with the funding divided equally between the two programs. The May Revision eliminated the funding for the juvenile justice crime prevention program but it did fund the COPS portion of the program. The funding level was \$121.3 million. However, during the subcommittee process the Senate adopted the level of funding proposed in the May Revision, \$121.3 million, but it did not adopt the trailer bill language that would have specified that the juvenile justice program be eliminated. The funding would have been split between the COPS and the Juvenile Justice programs. However, the Assembly subcommittee adopted the full funding for both programs, \$232.6 million therefore sending the item to conference committee. There were many efforts to eliminate part or all of these programs, however those attempts failed and the Governor signed the budget bill leaving the funding whole.
2. Williamson Act – The \$39 million to counties was deleted in the Governor’s proposed May Revision. The funding was fully restored in Conference Committee to the \$39 million and the Governor signed the budget keeping the funding intact. This was a significant victory for local governments.
3. State Trial Court Funding – The Governor’s January Budget included funds that would pay for providing benefits to Trial Court employees, the \$14.4 million was an on-going item. The Governor’s May Revision reduced the Trial Court Trust Fund by \$59.2 million on a one-time basis. This one-time reduction was an agreement worked out between Judicial Council and the Governor’s office. The Judicial Council believed that they could make do with this cut provided it was a one-year reduction. The Conference Committee in an effort to respect the agreement did not attempt to restore this funding.
4. Child Support Services – the Governor’s May Revision included a transfer of federal penalties, \$90 million, associated with the state’s delay in implementing a single, statewide-automated child support collection system. The Governor transferred those penalties to the counties in his May Revision. The Conference Committee rescinded that action on the last night they met. The Governor signed the budget package without requiring the counties

to pay a portion of the federal penalties. This is another significant victory for Santa Barbara.

5. California Department of Forestry State Responsibility Area (SRA) Reimbursement – The Governor proposed in his January Budget that these funds be shifted to counties. Other proposals floated were to charge a per acre tax to the property owners where the highest propensity of a fire to happen would be. The Conference Committee fully restored the \$20 million and the Governor signed the budget keeping the funds in tact. The restoration of these funds preserves critical firefighting services for Santa Barbara County.
- B. California Gambling Control Commission – The California Gambling Control Commission determined how the Special Distribution Fund would be collected and determined the definitions that would be used. The Legislature will need a legislative proposal to determine how the funds will be distributed, which many hoped would have been resolved this session. The County worked closely with TASIN to determine what would be acceptable to Santa Barbara as well as other interested parties. The Commission met several times to take public testimony in order to allow the commissioners to have ample opportunity to gather all the facts. The discussion was focused on the definition of “Net Win”. There was disagreement about whether this should be a policy interpretation or a regulation change. The tribes believed that this should be a regulation discussion. The tribes argued that the interpretation of “Net Win” has the reverse effect of what the Gambling Commission is trying to accomplish. They further argued that the definition is outdated (this definition was adopted in the early 80’s) when tribes were at a different place with Indian Gaming. The tribes did not think it should be part of the Compact Agreements, stating that it was not the original intent of those compacts. The Commission did adopt a policy that seemed to be consistent with what Santa Barbara County had wanted. Governmental Advocates, Inc. will work closely with the legislature next year on the implementation of how the SDF will be distributed.
- C. TANF Reauthorization – As you may recall the Department of Finance suggested that this fund be reduced by \$50,000,000, which would have meant a reduction of \$830,000 to Santa Barbara. Governmental Advocates immediately began to lobby in opposition to this decrease to the County. The item was not put on the table again and the funding remained intact.
- D. State withholding payments – Santa Barbara received notice from the state that their July advances would be held due to the budget impasse. Governmental Advocates lobbied the Legislative Leadership, which was

successful in getting the Controller to release the funds for these critical programs.

- E. Statewide Initiatives – at the beginning of the year there were many statewide initiatives that were floated by CSAC and other interests groups like the emergency room physicians to guarantee funding for local governments. None of which obtained enough signatures or funding to qualify for the November ballot.

Updates on Significant Issues from 2001:

- I. Energy – The crisis appears to be over for now. The legislature and Attorney General continue to look into the possibility that it was a manipulation of the market rather than a “crisis”. The Legislature continues to argue that if it was a “crisis” due to the lack of energy plants in the state why haven’t the various plants that were scheduled to come on-line up and running. This concern continues to feed the speculation that it was a manipulation. The current proposed investigation should produce rebates over the next few years to the county. Again, the debate has taken an entirely different turn and now focuses on the Federal Government verses the State and who is ultimately responsible. The “crisis” appears to be over at this point, however the investigation continues.
- II. Reapportionment – With the redistricting last year and Senator O’Connell termed out of office, the legislature drew the lines so that Senator Tom McClintock will be the next Senator for much of the county. While Assembly Members Hannah-Beth Jackson and Abel Maldonado are both seeking re-election, Senator McClintock is currently running for State Controller. Should he win in November, the Governor will call a special election to fill the vacancy.