

TO: Santa Barbara County Board of Supervisors

FROM: Cliff Berg, Legislative Advocate
Monica Miller, Legislative Advocate
County of Santa Barbara

#4



RE: End of Year Board Report

DATE: January 3, 2011

As we reported in our September update, the State Legislature wrapped up the 2009-10 session very late into the evening on August 31, 2010. Members of the Legislature did return to complete the budget as they adjourned without a budget in place. The year was mostly spent with the Legislature and their leaders unable to reach agreements on all of the big issues this year, including the budget. Once the Legislature regrouped, the members were able to obtain the necessary votes for the budget, albeit the budget had many challenges.

Once the election was completed, Governor Schwarzenegger called a special session of the Legislature to deal with the current year deficit of \$6 billion. However, with the new Legislature sworn-in the budget proposed by the current Governor was dead on arrival. We anticipate that Governor-elect Brown will immediately begin to work on the current year deficit as well as the budget year plus one deficit that takes the State to about \$25.4 billion that must be resolved. Additionally, the Legislative Analyst Office has stated that if the State continues to ignore this deficit as it has for the past several years, the State can anticipate a minimum of a \$26 billion deficit every year for the next five years.

All things considered, the County had a successful year with both the budget and the legislative package assisted by Governmental Advocates.

Budget

The County did have many successes in this 2010-11 budget, including the full reimbursement of the May Special election, a partial restoration of the Williamson Act in the amount of \$10 million statewide and the restoration of the Special Distribution Fund from 2007 which is \$30,000,000 statewide. Many social service programs were also restored or kept whole that had been slated to be cut or significantly reduced. Additionally, there was some discussion that the State might realign its prison population to local governments along with a minimal reimbursement for providing care to the prison population. In the end, this proposal was unsuccessful.

The Governor used his blue pencil authority (line-item veto authority). The biggest veto was the elimination of the Stage III Child Care for CalWorks. Many people believe that elimination of this funding hinders families from returning to work/ not needing welfare assistance. The Speaker of the Assembly announced that he planned to fully restore this funding in January by working with the First Five Commission to address the “gap”

funding. Santa Barbara County First Five Commission agreed to fill in this gap locally; however all of this was unnecessary as there is an injunction that prohibited this cut. The Speaker also donated \$6 million to the State First Five from the Assembly's working budget that they had saved with salary savings and other cost-cutting measures to help off-set this "gap" funding. Locally each First Five has the option to supplant this program, should they chose to close the "gap", the goal is to obtain full funding from the State in January once the Legislature returns.

In an effort to update the Board on Santa Barbara County specific issues, we wanted to advise the Board that we are continuing to work with the Alcohol Beverage Control Board (ABC) on issues related to permits and wineries. Supervisor Farr's Office along with the CEO's staff and our office participated in a conference call this spring with the ABC. Moving forward, we plan to continue to work on this issue in 2011.

Legislation Supported by the County

1. AB 1640, by Assembly Member Noreen Evans and Assembly Member Pedro Nava, which seeks to overturn a decision made by the California Department of Public Health in late December 2009 that disenrolled low-income, medi-cal woman ages 40-49 from the breast and cervical cancer screening program under the Every Woman Counts program. The Department cited fiscal constraints as the reason for this new mandate. The Governor signed the County's sponsored bill, AB 359, last year allowing providers, on a voluntary basis, to provide a digital screening but be reimbursed at the analogue rate. The idea was to allow more women to receive screenings, not less; therefore the County supported this bill. The measure has received bi-partisan support; it was signed by the Governor.
2. AB 354 by Assembly Juan Arambula from the Central Valley was supported by the County's Public Health Department. This bill deletes certain age limits for specified childhood immunizations required for admission to specified schools or child care centers, and requires the Department of Public Health to consider the immunization recommendations of the American Academy of Family Physicians. During the last week of the legislative session the bill made it to the Governor's desk and he signed it on September 29, 2010.
3. AB 50, by Assembly Member Pedro Nava, was supported by the County. This bill would have allowed various counties, Santa Barbara being one, to receive some property tax relief as a result of the devastating fires the County has experienced in the last few years. Unfortunately, the bill was stalled on the Senate floor and ultimately died the last week of session. We had a working group that began to meet in the fall and will continue to work into 2011. At this time, Senator Sam Blakeslee plans to introduce a bill to address this problem.
4. AB 1919, by Assembly Member Mike Davis, was supported by the County. This measure was sponsored by the City of Los Angeles and would have expanded the circumstances under which fees are collected so as to provide additional funds for the

survey monument preservation fund. This measure was brought to us by the County's Public Works Department. The bill is opposed by the Realtors, and died on the Assembly Floor, however reconsideration was granted. The measure is currently sitting on the Senate Floor Third Reading file waiting to be taken up. It will then return to the Assembly for concurrence and then to the Governor for his action.

5. AB 2198, by Assembly Member Paul Cook, was supported by the County. This measure was an attempt to restore the funding for the Special Distribution Fund (SDF). You may recall that the Governor was holding this money and would not release it to the local governments. This measure would have released these funds to the locals, however, this was negotiated as part of the budget discussions and as a result the measure was held on the Assembly Appropriations suspense file, essentially killing the bill.

6. AB 2456, by Assembly Member Alberto Torrico, which is a bill that we are watching on behalf of the County. This bill requires the Emergency Medical Services Authority to develop and enforce regulations establishing standards for policies and procedures applicable to the functions of emergency medical technicians. This bill did move to the Governor; however he vetoed it stating the bill was unnecessary because local EMS' can already perform this function.

Legislation Opposed by the County

1. AB 761, by Assembly Member Chuck Calderon, which the County was opposed to for the last two years, is related to mobile home park conversions and the protection of the residents. The measure was heard in Senate Judiciary Committee and after much debate the bill died. The County is very supportive of its residents and knows that this bill could displace many of its mobilehome residents.

2. AB 2503, by Speaker John Perez, which was opposed by the County, was related to the rigs to reefs program. This bill has been attempted in the past and the Governor has repeatedly vetoed the bill. The measure was part of a deal struck by leadership, so it continued to move to the Governor's desk. It is currently sitting there awaiting his action, while we were told to expect a veto, a deal was struck and he signed the measure.

Looking ahead to 2011

Also, keep in mind that on January 10, 2011 Governor Brown is required to submit a Governor's budget to the Legislature. This budget must be balanced and as the Legislative Analyst's Office has pointed out, the State is already \$25.4 Billion in the red with the current year budget and the 2011-12 budget year. Governor Brown, after elected, began to engage in discussion with the Legislative leaders and the Governor Schwarzenegger Administration. In an effort to get all state-wide electeds on the same page, Governor Brown scheduled a forum on Wednesday, December 8, 2010 in Sacramento where they discussed the dire straights of the State's budget crisis. There were additional forums being discussed, one with education leaders and one with health and human service stakeholders.

Other issues of note are that the Assembly Republican Caucus replaced their leader, Assembly Member Martin Garrick lost his post when he failed to pick up any new seats on behalf of the party and lost one that has long been held by a republican. The new leader is Assembly Member Connie Conway as of their November 2010 Caucus meeting. Connie Conway is a former President of CSAC and was a county supervisor for a number of years in Tulare. We are optimistic that this may help from a County perspective with an effort finally made to try to protect county services from a State raid. Although we must realize that everything will be on the table for discussion at this point given the magnitude of the deficit.

When the Legislature officially returned on January 3, 2011 to start the business at hand, we welcomed two new Assembly Members, Das Williams from the 35th District and K.H. “Katcho” Achadjian from the 33rd District. We have begun discussion with Assembly Member Williams office on the County priorities as well as with Assembly Member “Katcho” Achadjian to share the County’s legislative platform. Additionally, as always, we plan to meet with both Senator Tony Strickland and Senator Sam Blakeslee to brief them on the County’s priorities for the year as well as to see how we can best work together for the greater good of the County.

With the new session we also anticipate a flurry of new bills to be introduced. Just a reminder, the deadline for the Legislative Counsel is January 21, 2011 and the bill introduction deadline is February 18, 2011. Keep in mind, the Senate significantly reduced the number of bills that could be introduced in the last couple of years due to budget constraints, however the Assembly did not. At this time we are uncertain if either house will request the membership reduce these numbers, we will keep you posted on this issue.

After the Governor’s budget is submitted to the Legislature we fully anticipate that there will be several committee meetings in an effort to reach an agreement on any budget issues put forward. At the moment we are unclear on the process that will take place this year as it relates to the budget, whether that means a special session or dealing with an entire budget as a whole early this year. One thing we can assume is that once again the entire budget will be up for discussion. We are speculating that this year will be similar to 2009 when they adopted a full budget in February and then spent the rest of the year tinkering with it as needed, but are uncertain if this will be the case.