

# 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:** 01/15/02  
**Department Name:** County Administrator  
**Department No.:** 012  
**Agenda Date:** 01/22/02  
**Placement:** Departmental  
**Estimate Time:** 30 minutes  
**Continued Item:** NO  
**If Yes, date from:**

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**TO:** Board of Supervisors

**FROM:** Michael F. Brown  
County Administrator

**STAFF CONTACT:** Jim Laponis / Lori Norton  
568-3400 / 568-3421

**SUBJECT:** Legislative Program Committee Recommendations

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## Recommendations:

That the Board of Supervisors:

- 1. Reconfirm the following legislative priorities (Attachment 1), adopted by the Board on March 6, 2001, and provide direction to staff to continue to pursue sponsorship and passage of legislation to accomplish the following objectives:**
  - Extend retirement survivorship benefits to domestic partners
  - Extend or eliminate the sunset date for oil revenue sharing
- 2. Receive a report on Statewide Initiatives (Attachment 2) qualified for the March 5, 2002 ballot and take the following Actions:**
  - Endorse Proposition 40, The California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002 and authorize the Chair to sign the attached Resolution of Support
  - Endorse Proposition 41, The Voting Modernization Act of 2002

(Please note, that by separate action on 1/15/02, the Board of Supervisors endorsed Proposition 42, Transportation Funding: Sales and Use Tax Revenues
- 3. Authorize the Chair to sign the attached (Attachment 3) response to a letter, dated November 14, 2001, from Assemblymember Hannah-Beth Jackson, regarding the County's State funding priorities.**
- 4. Receive a brief report on the status of California Tax law as it relates to new Federal retirement plan provisions contained with the Economic Growth and Tax Relief Reconciliation Act of 2002 (EGTRRA). Direct staff to work with our State legislative delegates and the California State Association of Counties to support the passage of legislation to amend California tax laws to conform to EGTRRA. (Attachment 4)**
- 5. Receive a report on the Franchise Tax Board Court ordered Debt Collection Program. Direct staff to work with our State legislative delegates and the California State Association of Counties to support the passage of legislation to extend or eliminate the sunset date for the Program. (Attachment 5)**

**Alignment with Board Strategic Plan:**

The recommendations are primarily aligned with actions required by law or by routine business necessity.

**Executive Summary and Discussion:**

The Legislative Program Committee ("Committee") is comprised of the following members: First District Supervisor Naomi Schwartz, Second District Supervisor Susan Rose, County Administrator Michael Brown, Auditor-Controller Robert Geis, and County Counsel Stephen Shane Stark.

On January 14, 2002, the Committee considered, and recommended the Board adopt the actions as articulated above. Auditor-Controller Robert Geis was absent from the meeting. The recommended actions were unanimously supported by the Committee members present. In addition, the Committee received various informational reports as summarized below:

**Federal Report:** Ron Waterman, of Waterman and Associates, reported on the just concluded Federal legislative session and a briefing on the status of the County's federal legislative priorities. A copy of Waterman and Associates final report for 2001 will be distributed to the Board on January 22, 2002.

**Governor's Proposed Budget:** Cliff Berg, of Governmental Advocates, reported on the Governor's 2002-03 Budget, which was released to the public on January 10, 2002. Mr. Berg reported that the Governor's Budget proposal includes some funding reductions, which will impact the County. As promised, the Governor's Budget, **does not** propose to reduce or eliminate the Vehicle License Fee backfill to Counties. (The County receives approximately \$35 million annually in Vehicle License Fee revenue: \$25 million General Fund Revenue, and approximately \$10 million Realignment Funding for qualified Public Health, Alcohol, Drug, and Mental Health, Social Service, and Probation programs). Further, Mr. Berg reported that the Governor's Budget proposal increases funding for schools, maintains local funding for local public safety, and does not include recommended tax increases. Of concern, Mr. Berg noted that the Governor's Budget includes a number of assumptions that appear optimistic. These include revenue projections from personal income tax and sales tax that exceed the Legislative Analysts projections by approximately \$3 billion, the receipt of an increase of approximately \$1 billion in Federal Funding, and a proposal to securitize the State's portion of Tobacco Settlement Funds. The Governor's Budget also does not include the potential of an additional \$6 billion general fund shortfall if the anticipated utility bond purchase is not successfully executed. In short, the Governor's Budget proposal will be heavily debated in the coming months, and the May Revision will likely include additional funding reductions and program cuts, which may substantially impact the County. Mr. Berg and staff will monitor the Budget debate and will keep the Board informed of potential impacts as they arise.

**State Children and Families Commission Advisory Opinion 01-01:** Stephen Shane Stark reported on the State Children and Families Commission's (State Commission) Advisory Opinion regarding the meaning of Proposition 10's prohibition on "supplantation" and the use of Prop 10 monies to fund "existing levels of service". Mr. Stark advised the Committee that the County Counsel's Association may request an Attorney General's Opinion on the issue. Further, Mr. Stark advised the Committee that he will discuss the State Commission's Advisory Opinion with the County's Children and Families Commission (Local Commission) at its January meeting, and will return to the Committee, at a future date, to provide additional information. Finally, Mr. Stark noted that State legislation may be introduced to further clarify Proposition 10.

**Proposed Public Safety Initiative and Local Revenue Protection Initiative:** Staff reported that the proposed Public Safety Initiative (Anti-Terrorist and Public Protection Act of 2002), which would have provided a ¼ cent sales tax increase, with funding to be used for anti-terrorist and public protection appears to be dead. CSAC reported that negotiations related to the distribution of funds broke down and that at present it does not appear additional negotiations will occur. It is not clear how this may impact the proposed CSAC Local Revenue Protection Initiative, which CSAC had voted to place on hold, while working to incorporate local revenue protection measures into the proposed Public Safety Initiative.

**California Child Support Penalties:** Karin Roser provided a report on California Child Support Penalties. Federal law required each State to develop and implement a statewide, automated child support collection system by October 1, 1997. California has not developed and implemented a statewide child support system thus is subject to Federal penalties. California has paid a total of \$217 million in penalties, and concern exists that these penalties may be passed on to Counties. Santa Barbara County could be subject to approximately \$2 million in annual penalties if this occurred. Ms. Roser advised the Committee that the Governor's proposed Budget assumes the Federal Government will waive the penalty for fiscal year 2002-03. Further Ms. Roser advised the Committee that the Child Support Directors Association is working to establish a penalty reinvestment plan that would allow States the option to reinvest penalties back into their child support programs and automation efforts. Staff will monitor progress on this issue and will advise the Committee of any proposed legislation to insure penalties are not passed on to Counties.

**Mandates and Service Levels:**

The Legislative Program is not mandated and its service levels are discretionary.

**Fiscal and Facilities Impacts:**

Where known, the fiscal and facility impacts are indicated in the informational material that is part of each recommended item.

c: Cliff Berg, Governmental Advocates  
Clare Macdonald, County Counsel  
Department Directors