

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate

RE: 2022 Annual Report

DATE: November 10, 2022

Governmental Advocates is most pleased to have worked on behalf of Santa Barbara County in Sacramento advocating for the county's interests during the 21-22 Legislative Session which concluded August 31 2022. We are most pleased to recognize that we have advocated on behalf of the County for over twenty years. The 21-22 Legislative Session was a challenging one as State Government was faced with the COVID-19 pandemic and how to respond to the many challenges created as a result of the pandemic. We know the County struggled with the myriad of conflicting demands as did the state. The health and safety issues generated ripples impacting the economy, business climate, schools, safety net and government revenues. The demand for correct responses impacted every level of government. At the state, we saw the State Capitol closed for nearly two years, hearings and testimony limited and meetings moved to virtual technology.

Despite the States wildly fluctuating policies, economic forecasts and inaccurate revenue estimates we were able to continue to successfully advocate for the counties interests in Sacramento, some of the issues we worked on in 2022 included:

1. County secured a state of emergency from the State due to the impacts of the Alisal Fire enabling Caltrans to request immediate federal assistance for high repairs or reconstruction.
2. Worked with CSAC and Public works to increase transportation dollars
3. Care Court funding and requirements. Worked with CSAC to provide more resources to County and minimize onerous requirements including sanctions, phase in, and timelines
4. County successfully supported AB 32 (Aguilar-Curry) Telehealth, bill to Governor
5. County opposed AB 1737 (Holden) children's camps that would have burdened county health department and increased costs to County. Secured amendments addressing County issues. The bill was placed on the inactive file and did not go to the Governor.
6. County had concerns about some of the provisions in AB 2201 (Bennett) groundwater sustainability and worked closely with his office on amendments to address issues with amendments Author withdrew bill.
7. AB 2538 (Rivas) State Warning Center: wildfire smoke notification would have created new requires associated with wildfire smoke notifications and costly improvements to local transportation infrastructure without funding. County opposed and bill was held in Appropriations suspense file.
8. AB 2724 (Arambula) Kaiser bill to allow DHCS to enter into comprehensive risk contracts with an alternate health care service plan. The County worked with the author and the policy committee and Senator Limon to ensure the bill will not apply to counties in which Kaiser is currently not operating in, in effect protecting the integrity of CenCal Health's position as the sole provider in Santa Barbara.
9. SB 335 (Cortese) would have reduced the time period an employer has to deny liability for a workers compensation claim from 90 to 45 days among other provisions. The County joined a coalition in opposition to the measure and it failed passage in the Assembly Insurance Committee.

10. SB 443 (Hertzberg) Emergency medical services. Would have overturned extensive statutory and case law that gives county responsibility for ensuring equitable and transparent local emergency medical service systems. The County opposed. The author pulled to bill.
11. SB 861 (Limon) establishes the Dementia Care Navigator Grant Pilot Program in the California Department of Aging. The County supported and bill passed to Governor.
12. Sb 867 (Laird) Sea Level rise. Would have created difficult regulatory compliance process at Coastal Commission for counties. County opposed and author amended bill to reduce the more onerous provisions of the bill
13. SB 928 (Wieckowski)
14. increased fees for Public Administrators. The County supported and the bill passed the Legislature.
15. SB 972 (Gonzalez) Food carts. This bill as written seriously weakened public health and safety protections for the public by weakening laws relating to mobile food operations. The County worked closely with the public health officers and the bill's author and sponsors to secure amendments to strengthen county oversight to protect the public.
16. SB1030 (Limon) and AB 2931 (Bloom) The County supported Senator Limon's bill to allow the State Fire Marshal to regulate low-pressure pipelines and address other safety issues. Her bill became AB 2931 which passed and went to the Governor.
17. The County worked on securing funds appropriated per County request in state budget to clean up Venoco pipeline
18. SB 932 (Portantino) general plans: circulation element would have required the circulation element of a general plan to include specified contents related to bicycle plan, pedestrian plans, and traffic calming plans. The County opposed unless amended because it created unfunded mandates for costly improvements to local transportation infrastructure without providing funding and potential legal liability. The County opposed along with CSAC and the League. The author finally agreed to amend the bill in August to address concerns and most organizations removed their opposition based on the amendments.

The two-year 21-22 Legislative year concluded on August 31. The State Legislature sent the Governor over 900 bills during August alone. He had until September 30<sup>th</sup> to sign, veto or let a bill become law without his signature. The State Legislature sent the Governor a total of 1,166 bills. The Governor signed 997 and he vetoed 169. This was a veto rate of 14.5%, the highest since he was elected. He vetoed more bills this year than the last two combined. The primary reason cited in his veto messages was fiscal and concern over the economy and a shortfall in state revenues.

### **22-23 Budget Overview**

Over the two-year session the state benefited from a strong economy and ran substantial budget surpluses. This was despite early warnings that COVID would cause a massive state budget deficit. The 21-22 fiscal year also saw the state benefit from a massive infusion of federal funds which was provided to the state to respond to the economic impact of the pandemic. The current budget did not get another round of federal relief and saw the impact of the State Spending Limit also known as the Gann limit.

The budget discussion began when Governor Newsom submitted his 2022-23 budget proposal to the Legislature on January 10th which proposed \$286 billion in spending. The May Revise was released on May 13th. The Legislature released their version of the budget on June 1st. The Legislature's version of the budget represented an agreement between the leaders and budget chairs of both houses. The Legislature and the Governor reached an agreement on the budget on June 26th, passing the AB 178 – the Budget Bill Jr. and the package of trailer bills on June 29th. The Governor signed AB 178 and the trailer bill package on June 30th. The Administration, Legislature, and stakeholders will

continue to work on remaining changes to the budget over summer recess and upon the Legislature's return from their summer recess on August 1. The overview below is a budget summary of the budget agreement as outlined by CSAC.

On June 26th, Legislative Leadership and the Governor reached an agreement on the 2022-23 State Budget. The 2022-23 Budget includes total spending of \$308 billion, of which \$234.4 billion is from the General Fund. The Budget includes total reserves of \$37.1 billion in 2022-23, including \$3.4 billion in the regular operating reserve.

The Legislature's Budget Bill - SB 154, was signed by the Governor on June 27th, although much of the agreement was released through SB/AB 178 Budget Bill Jr., which amends SB 154, and SB/AB 180 Budget Bill Jr, which amends the 2021-22 budget to make current year allocations.

In addition, there was also a trailer bill package that made statutory changes needed to implement the budget agreement. Further actions on the budget were expected to continue in August. The budget bills and the trailer bill package passed the Legislature on the evening of June 29th and were signed by the Governor on June 30th.

*Top highlights of the Budget agreement include:*

The Budget provides over \$17 billion in fiscal relief to Californians, small businesses, and nonprofits. This includes, the roughly \$2 billion of General Fund costs of the additional rental assistance provided earlier this year, plus the following investments:

Provides \$9.5 billion to build on the Legislature's rebate plan to provide direct tax refunds to 17.5 million California tax filers, in accordance with the following:

First Tier: 14.2 million tax filers with incomes up to \$75,000/\$150,000 (Single Filers / Joint Filers):

- \$350 per tax filer, plus an additional \$350 if tax filer has at least one dependent.

Second Tier: 2.1 million tax filers with incomes above First Tier, but below \$125,000/\$250,000 (Single Filers / Joint Filers):

- \$250 per tax filer, plus an additional \$250 if tax filer has at least one dependent.

Third Tier: 1.1 million tax filers with incomes above Second Tier, but below \$250,000/\$500,000 (Single Filers / Joint Filers):

- \$200 per tax filer, plus an additional \$200 if tax filer has at least one dependent.

Roughly 500,000 tax filers with incomes above the Third Tier will not receive a rebate.

*Additional Assistance for Vulnerable Californians:*

Provides additional relief to Californians enrolled in the SSI/SPP program and the CalWORKs program and to provide relief from unpaid utility bills, specifically:

- SSI/SSP: Accelerates half of the planned grant increase for January 1, 2024 to January 1, 2023. This will increase grants by about \$39 per month (\$470 for the year) for individuals and \$100 per month (\$1,200 for the year) for couples.

- **CalWORKs:** Increases CalWORKs grants for two years by an additional 10 percent in addition to the 11 percent ongoing increase included in the May Revision. Combined, these increases the grant for a family of three by as much as \$194 per month. After the two-year period, continuing the two-year 10 percent increase, plus an additional scheduled increase, will be subject to future budget action.
- **Utility Assistance:** Provides \$1.4 billion for assistance to active utility customers with past due electricity utility bills incurred during the COVID19 pandemic bill relief period.

*Targeted Tax Relief:*

Includes targeted tax relief measures, including the following:

- **Workers Tax Fairness Credit.** Develops the Workers Tax Fairness Credit to turn union dues from being tax deduction into a tax credit. While union dues are currently tax deductible, union workers are more likely to not itemize their deductions and therefore do not get the same tax benefit for their dues that higher paid professions are more likely to get for their professional association dues. The credit will be established in statute in a trailer bill later in the session, but the credit will not be in effect until activated through future budget action.
- **Young Child Tax Credit.** Adopts the Governor's proposed \$95 million to provide the existing Young Child Tax Credit to zero-income filers and to create a Foster Youth Tax Credit to provide a \$1,000 credit to young adults who were in the foster care system.

**Business and Non-Profits Relief.** Provides \$2.3 billion in fiscal relief to small businesses and non-profits, including the following:

- **Unemployment Insurance Cost Relief:** \$1.5 billion for Unemployment Insurance cost relief, including \$1 billion to begin to pay down the federal loan, and \$500 million, as early as the 2024-25 budget year, to provide rebates to small businesses to reimburse them for their increased costs.
- **Diesel Sales Tax Relief:** \$439 million to suspend the General Fund portion of the sales tax on diesel fuel, reducing costs by about 23 cents per gallon, which primarily benefits businesses.
- **Paid Sick Leave Relief:** \$250 million for relief grants for small businesses and non-profits with up to 150 employees to offset costs of recently enacted Supplemental Paid Sick Leave program (SB 114).
- **Small Agriculture Drought Relief Grants:** \$75 million for the California Small Agricultural Business Drought Relief Grant Program at the Governor's Office of Business and Economic Development (Go-Biz), to provide direct assistance to eligible agriculture-related businesses that have been affected by severe drought conditions. This is in addition to significant other investments to support agriculture throughout the rest of the budget.

**Health Care Worker Retention Stipends.** Provides \$1.3 billion to provide retention stipends to health care workers most impacted during the pandemic.

*\$47 billion California Infrastructure Budget:*

The 2022-23 state budget plan, including planned investments in the subsequent three fiscal years, provides \$47 billion for infrastructure investments.

***Among some of the infrastructure highlights affecting counties include:***

- **Transportation.** \$14.8 billion multiyear transportation package, including funding for transit, freight, active transportation, climate adaptation, and other purposes across the state. In addition to those items, the budget establishes an independent Office of Inspector General for the high-speed rail project and appropriates the remaining \$4.2 billion of Proposition 1A high-speed rail funds with legislative direction to prioritize construction of a Merced-Bakersfield segment.
- **Housing.** \$2 billion multiyear affordable housing package, including investments in Multifamily Housing Program, the Housing Accelerator Program, the Farmworker Housing Program, ADU financing, and the Veterans Housing and Homelessness Prevention Program.
- **Broadband.** Provides \$550 million of additional General Fund support for broadband infrastructure, spread across 2023-24 and 2024-25.
- **Energy and Zero Emission Vehicles.** More than \$6.1 billion of investments in clean trucks, buses, off-road equipment, clean cars, and, from the Proposition 98 budget, ZEV school buses and charging infrastructure, as well as substantial investments in electricity and energy assets.
- **Libraries.** Provides \$150 million of additional library infrastructure grant funding spread over 2022-23 and 23-24, supplementing last year's historic budget commitment to library infrastructure.
- **Multifamily Seismic Retrofit Grants.** Provides \$250 million in 2023-24 to seismically retrofit multifamily buildings.
- **Dam Safety.** Provides \$100 million spread across 2023-24 and 2024-25 for dam safety projects.
- **Organic Waste Infrastructure.** Provides \$180 million for local assistance grants to improve organic waste infrastructure.
- **Legislative Priority Projects.** The budget provides funding for more than \$2 billion of local projects prioritized by the Legislature, many of which provide funding to assist local governments with park, transportation, environmental, and other community facilities.

***Other investments include:***

***Medi-Cal For All, Regardless of Immigration Status:*** Expands Medi-Cal to all eligible Californians regardless of immigration status. Currently, income eligible young adults 25 and younger and those 50 and older have access to full scope Medi-Cal. This action will expand access to ages 26 through 49 beginning no later than January 1, 2024.

***No Child In Deep Poverty***

Increases CalWORKs grant levels beginning October 1, 2022 by 21 percent. Establishes statutory

framework to increase grants again on October 1, 2024 to the level necessary to ensure children in the CalWORKs program do not live in deep poverty.

### *Reproductive Rights Investments*

Provides over \$200 million in key reproductive rights investments to assist California continue to lead in protecting reproductive rights.

*These include:*

- \$40 million for Uncompensated Care Fund.
- \$30 million for Equity and Infrastructure payments for Clinic Abortion providers.
- \$20 million for Reproductive Health Care Services Scholarships/Loan Repayments.
- \$20 million Reproductive Health Care Facilities Security.
- \$20 million for Premium Subsidy Payments.
- \$20 million for the California Abortion Support Fund.
- \$20 million for LA County Reproductive Health Pilot.
- \$15 million for the Reproductive Justice and Freedom Fund.
- \$10 million to backfill lost Title X Family Planning funds.
- \$8 million for Family Planning, Access, Care and Treatment, and HPV Vaccine Coverage.
- \$2 million for Reproductive rights website and research on unmet reproductive health care needs.

### *\$19 Billion Climate-Energy Package*

Commits \$19 billion General Fund (in addition to associated federal and special funds), over multiple years, to climate and energy investments. Most of the details will be finalized later in the session, but it is expected to include items related to the following issues: Water-Drought Resilience, Wildfire Resilience, Extreme Heat, Nature Based Solutions, Energy, Zero-Emission Vehicles, and other climate-related actions.

### *State Appropriations (Gann) Limit State Budget Meets Gann Limit Requirements*

The budget package reflects proposals of the Legislature and the Governor that result in the state remaining well under the State Appropriations (Gann) Limit both for the two-year period ending on June 30, 2022 and for the 2022-23 fiscal year.

The budget package includes statutory changes like those suggested by LAO to exclude added local subventions from the State Appropriations Limit, thereby counting some additional expenditures

within local government appropriations limits when capacity exists at that level of government. The budget package also reflects legislative additions to the budget's infrastructure and emergency spending, which are excluded from the Gann Limit in certain circumstances. The working families tax refund is among the items excluded from the Gann Limit in package.

According to initial estimates, the state is \$11 billion under the Gann Limit for the two-year period ending on June 30, 2022, and \$11 billion under the Gann Limit for the 2022- 23 fiscal year.

The Legislative Leadership and the Governor have expressed an interest in developing a ballot measure for the 2024 state ballot to modernize the Gann Limit, including to make it easier to deposit state funds to reserves and to pay down more Unemployment Insurance Trust Fund debt, stating that failure to modernize the Gann Limit likely will result in the need to make significant reductions to education and non-education programs funded in the state budget.

*The budget and the budget trailer bill package signed by the Governor on June 30th included:*

- AB 178 by Assemblymember Philip Ting (D-San Francisco) – Budget Act of 2022.
- AB 180 by Assemblymember Philip Ting (D-San Francisco) – Budget Act of 2021.
- AB 181 by the Committee on Budget – Education finance: education omnibus budget trailer bill.
- AB 182 by the Committee on Budget – COVID-19 emergency response: Learning Recovery Emergency Fund: appropriation.
- AB 183 by the Committee on Budget – Higher education trailer bill.
- AB 186 by the Committee on Budget – Public health.
- AB 192 by the Committee on Budget – Better for Families Tax Refund.
- AB 194 by the Committee on Budget – Taxation.
- AB 195 by the Committee on Budget – Cannabis.
- AB 199 by the Committee on Budget – Courts.
- AB 200 by the Committee on Budget – Public safety omnibus.
- AB 202 by the Committee on Budget – County jail financing.
- AB 203 by the Committee on Budget – Public resources.
- AB 205 by the Committee on Budget – Energy. A signing message can be found [here](#).
- AB 210 by the Committee on Budget – Early childhood: childcare and education.
  
- SB 125 by the Committee on Budget and Fiscal Review – Public resources: geothermal resources: lithium.

- SB 130 by the Committee on Budget and Fiscal Review – State employment: State Bargaining Units 5, 6, 7, and 8: agreements.
- SB 131 by the Committee on Budget and Fiscal Review – November 8, 2022, statewide general election: ballot measures.
- SB 132 by the Committee on Budget and Fiscal Review – State employment: State Bargaining Units 16 and 18: agreements.
- SB 184 by the Committee on Budget and Fiscal Review – Health.
- SB 187 by the Committee on Budget and Fiscal Review – Human services.
- SB 188 by the Committee on Budget and Fiscal Review – Developmental services omnibus.
- SB 189 by the Committee on Budget and Fiscal Review – State Government.
- SB 191 by the Committee on Budget and Fiscal Review – Employment.
- SB 193 by the Committee on Budget and Fiscal Review – Economic development: grant programs and other financial assistance.
- SB 196 by the Committee on Budget and Fiscal Review – State employment: State Bargaining Units: agreements.
- SB 197 by the Committee on Budget and Fiscal Review – Housing.
- SB 198 by the Committee on Budget and Fiscal Review – Transportation.
- SB 201 by the Committee on Budget and Fiscal Review – Taxation: Earned Income Tax Credit: Young Child Tax Credit: Foster Youth Tax Credit.

The Legislature adjourned for Summer Break on July 1st and returned on August 1st. August 12th was the last day for bills to pass out of fiscal committees. Any bills that passed Appropriations and the Suspense File continued to the floor, if they passed, they went back to the house of origin for concurrence and then went to the Governor's Desk. The last day for the bills to be passed to the Governor's desk was August 31st, the Governor then had 30 days to take action.

***August Budget Bills Include:***

***SB 118 (Committee on Budget and Fiscal Review) California Environmental Quality Act: public higher education: campus population***

*Current law makes the selection of a location for a particular campus of public higher education and the approval of a long-range development plan subject to CEQA, requires preparation of an EIR and requires environmental effects relating to changes in enrollment levels to be considered for each campus or medical center of public higher education in the EIR prepared for the long-range development plan. Current law makes the approval of a project on a particular campus or medical center of public higher education subject to CEQA and authorizes it to be addressed in a tiered environmental analysis based*



upon a long-range development plan EIR. This bill would delete the provision requiring the environmental effects relating to changes in enrollment levels be considered in the EIR prepared for the long-range development plan. The bill would provide that enrollment or changes in enrollment, by themselves, do not constitute a project for purposes of CEQA. **The bill is now chaptered.**

#### **SB 184 (Committee on Budget and Fiscal Review) Health**

Current federal law, the Patient Protection and Affordable Care Act (PPACA), enacts various health care market reforms. Current state law creates the California Health Benefit Exchange (Exchange) also known as Covered California, to facilitate the enrollment of qualified individuals and qualified small employers in qualified health plans as required under PPACA. Current law, until January 1, 2023, requires the Exchange to administer a program of health care coverage financial assistance to help low-income and middle-income Californians. Current law exempted the program design of financial assistance and a related regulation, standard, criterion, procedure, determination, rule, notice, guideline, or any other guidance established or issued by the Exchange or Franchise Tax Board from the Administrative Procedure Act until January 1, 2022. This bill would indefinitely extend the above described financial assistance program and Administrative Procedure Act exemptions. **This bill is now chaptered**

#### **SB 122 (Committee on Budget and Fiscal Review) Energy**

This bill would, upon appropriation, establish the 2022 California Arrearage Payment Program (2022 CAPP) within the Department of Community Services and Development. The bill would require the department to release program notices and post program notices related to 2022 CAPP administration on its public-facing internet website. The bill would require the department to make available an online application for utility applicants to request 2022 CAPP funding for residential customers. The bill would require the department to develop an allocation formula for determining an individual utility applicant's share of 2022 CAPP funds based on the proportional share of the total statewide energy utility arrearages. The bill would require the department to approve utility applicant's 2022 CAPP applications, set statewide allocations, and disburse funds within 7 months of the appropriation for the CAPP. This bill would require a utility applicant to issue 2022 CAPP benefits to residential customers within 60 days of receiving 2022 CAPP funds. The bill would require a utility applicant to submit all reporting required by the department detailed in a program notice within 6 months of the utility applicant's receipt of its 2022 CAPP allocation. The bill would require the department to report specified data to the Legislature and on its public-facing internet website relating to distribution of 2022 CAPP benefits within 60 days of receiving reporting from utility applicants. This bill would require that any payment authorized by the 2022 CAPP be treated in the same manner as the federal earned income refund for purposes of determining the individual's eligibility to receive benefits under specified public social services laws. The bill would also prohibit the payment from being taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of the individual, or any other individual, for benefits or assistance for any other state or local program, as provided. **The bill is dead.**

#### **AB 160 (Committee on Budget) Public Safety trailer bill**

Current law prohibits a firearm industry member, as defined, from engaging in advertising or marketing related to firearms that is intended for minors or reasonably appears to be attractive to minors, as specified. This bill would exempt from this prohibition any advertising that is offering or promoting classes or events related to firearm safety, hunting, or sport shooting, as specified, or promoting membership in any organization. **The bill is now chaptered.**

**AB 205 (Committee on Budget)/ SB 122 (Committee on Budget and Fiscal Review) Energy**

*AB 205, the Energy trailer bill (Chaptered), allows for a shift of local authority for siting of solar, wind, and certain battery backup projects to the California Energy Commission (CEC) and would, under the auspices of a Strategic Energy Reserve, delegate to the Department of Water Resources (DWR) blanket authority to bypass local permitting, including through the Coastal Act of 1976. We understand that a number of local government advocates will be following up over the summer to work on clean-up to the legislation. CSAC, the County among a number of other counties opposed the trailer bill. **The bill is now chaptered.***

**AB 178 (Ting) Budget Act of 2022**

*The Budget Act of 2022 made appropriations for the support of state government for the 2022-23 fiscal year. This bill would amend the Budget Act of 2022 by amending, adding, and repealing items of appropriation and making other changes. **The bill is now chaptered.***

**AB 186 (Committee on Budget) Public Health**

*Current law, until January 1, 2026, establishes the Proposition 56 Medi-Cal Physicians and Dentists Loan Repayment Act Program, which requires the department to develop and administer the program to provide loan assistance payments to qualifying, recent graduate physicians and dentists who serve beneficiaries of the Medi-Cal program and other specified health care programs. Current law requires this program to be funded using moneys appropriated to the department for this purpose in the Budget Act of 2018 from the Healthcare Treatment Fund, and requires the department to administer 2 separate payment pools for participating physicians and dentists, respectively, consistent with the allocations provided for in the Budget Act of 2018. The bill would instead make the administratively created Loan Repayment Program Account, within the Healthcare Treatment Fund, continuously appropriated to implement the Medi-Cal Physicians and Dentists Loan Repayment Act Program. The bill would require that the account contain funds appropriated by the Legislature from the Healthcare Treatment Fund. The bill would also establish the Medi-Cal Loan Repayment Program Special Fund in the State Treasury and require the fund to contain funds transferred from the California Electronic Cigarette Excise Tax Fund, as specified, funds collected from remittances by Medi-Cal managed care plans as described below, and any other moneys appropriated to the program. The bill would make the Medi-Cal Loan Repayment Program Special Fund continuously appropriated to implement the Medi-Cal Physicians and Dentists Loan Repayment Program. **The bill is now chaptered.***

*Note: this bill aligns with AB 32.*

**AB 205 Committee on Budget) Energy**

*Current law, until January 1, 2026, establishes the California Arrearage Payment Program (CAPP) within the Department of Community Services and Development. This bill would, upon appropriation, establish the 2022 California Arrearage Payment Program (2022 CAPP) within the Department of Community Services and Development. The bill would require the department to release program notices and post program notices related to 2022 CAPP administration on its public-facing internet website. The bill would require the department to make available an online application for utility applicants to request 2022 CAPP funding for residential customers. The bill would require the department to develop an allocation formula for determining an individual utility applicant's share of 2022 CAPP funds based on the proportional share of the total statewide energy utility arrearages. The bill would require the department to approve utility applicant's 2022 CAPP applications, set statewide allocations, and disburse funds within 7 months of the appropriation for the CAPP. **The bill is now chaptered.***

### **22-23 Legislative Session/Special Session**

The new Legislative Session will convene December 5th to swear in 100 Legislators and elect legislative leadership. The Governor has called a special session of the Legislature to convene on December 5th to consider a windfall profits tax on the oil industry. Details have not been released nor is it clear that there is any agreement with the Legislature on the proposal.

### **COVID-19 Emergency Response Package/Early Budget Action**

On February 10<sup>th</sup>, the Governor announced that he has signed a \$1.9 billion early action measure to meet the state's immediate COVID response needs, including funding to boost testing capacity and vaccination efforts, support frontline workers, strengthen the health care system and battle misinformation, with a focus on the hardest-hit communities. The Administration continues to work with the Legislature through the budget process to advance an additional \$1.3 billion to support the state's ongoing pandemic response.

“California has led the nation's fight against COVID-19 with a comprehensive response that has saved countless lives. As we emerge from the Omicron surge, we're not letting our guard down,” said Governor Newsom. “The COVID Emergency Response Package will ensure the state has the resources to continue tackling this challenge head-on, with funding to enhance our testing and vaccination efforts, support frontline workers, strengthen our health care systems and battle dangerous misinformation. I thank our legislative leaders for their continued commitment to protecting the health of our families and communities as we navigate the evolving pandemic.”

The \$1.9 billion emergency appropriation in SB 115 by Senator Nancy Skinner (D-Berkeley) includes:

- \$806 Million to Bolster Testing
  - Expand hours and capacity at testing sites throughout the state to help slow the spread of the virus.
  - Distribute millions of COVID-19 antigen tests to local health departments, community clinics and county offices of education and schools.
  - Support the state's testing facilities, including specimen collection and expanding capacity in order to meet demand.
  - Assist state departments in testing their staff and congregate populations.
- \$400 Million to Get More Californians Vaccinated & Boosted, Combat Misinformation

- Continue the “Vaccinate all 58” public education campaign to provide reliable information and build vaccine confidence while combating misinformation, all of which is in partnership with 250 ethnic media outlets.
  - Maintain a robust community outreach and direct appointment assistance campaign by conducting door-to-door canvassing, phone banking and texting with over 700 CBOs and community partners in partnership with philanthropy.
  - Support in-home vaccination and testing programs and transportation arrangement, for those unable to travel, to meet Californians where they’re at.
  - Provide free transportation to vaccination appointments throughout the state to help get more Californians vaccinated and boosted.
- \$486 Million to Support Our Frontline Workers and Health Care Systems
    - Support and distribution of critical personnel resources for health care systems to help protect frontline workers, patient care and hospital surge capacity as well as additional staffing for vaccination sites.
- \$141 Million to Maintain State Response Operations
    - Provide resources to enhance the state’s emergency response and public health capacities, including staffing and information technology at California Department of Public Health, Office of Emergency Services and Emergency Medical Services Authority.
- \$100 Million to Support Mutual Aid, Bolster Contact Tracing Efforts, Procure Personal Protective Equipment
    - Provide mutual aid to support local governments.
    - Continue statewide contact tracing activities to help keep Californians safe and slow the spread.
    - Procure additional personal protective equipment, including children’s N95 and surgical masks, and other durable equipment

### **Special Session on Windfall oil Profits Tax**

**The Governor’s office issued the following statement on Sept. 30<sup>th</sup> regarding the need for the following proposal:**

“As Californians see renewed spikes in gas prices, on Sept. 30th Governor Gavin Newsom called for a windfall tax on oil companies that would go directly back to California taxpayers.

While crude oil prices are down, oil companies have increased gas prices in California by a record 84 cents per gallon in just the last 10 days. At the end of August, crude oil prices were roughly \$100 per barrel, and the average gas price in California was \$5.06; now, even though the price of oil has decreased to \$85 per barrel, the average gas price at the pump has surged to \$6.29.

Meanwhile, oil companies have raked in unprecedented profits on the backs of hard-working Californians – nearly \$100 billion in the last three months alone.

Oil companies have failed to provide an explanation for the unprecedented divergence between prices in California compared to the national average”

## **Governor Newsom Calls for Windfall Tax to Put Record Oil Profits Back in Californians' Pockets**

He stated: "Crude oil prices are down but oil and gas companies have jacked up prices at the pump in California. This doesn't add up," said Governor Newsom. "We're not going to stand by while greedy oil companies fleece Californians. Instead, I'm calling for a windfall tax to ensure excess oil profits go back to help millions of Californians who are getting ripped off."

Earlier, Governor Newsom directed the California Air Resources Board (CARB) to make an early transition to winter-blend gasoline, and CARB took prompt action. This change is expected to immediately increase oil supplies by 5-10% and drop gas prices. When California did this in 2012, gas prices dropped by 25 cents within two weeks.

Also, starting next week, millions of Californians will get upwards of \$1,050 in their bank accounts from the inflation relief program announced in the budget."

"As the cost of living continues to rise, California families have been forced to cut back on spending and rethink their budgets," said California Attorney General Rob Bonta. "Earlier this year, my office warned refineries against taking advantage of ongoing market disruptions, and I want to again be clear: Market manipulation is illegal. My office is monitoring the market closely, and we will not hesitate to take action if we find evidence that the law is being violated."

**RETURNING OIL INDUSTRY PROFITS TO CALIFORNIANS:** Crude oil prices are dropping, but oil and gas companies are still raising prices on California consumers. These price hikes cannot be attributed solely to refinery maintenance issues, hurricane disruptions, or even state taxes. Governor Newsom is working with the Legislature to enact a new windfall profits tax on oil companies. Companies engaged in extraction, production, and refining of oil will pay a higher tax rate on their earnings above a set amount each year, and these recouped windfall profits will then be directed to rebates/refunds to California taxpayers impacted by high gas prices.

**INCREASING GASOLINE SUPPLY:** Earlier, Governor Newsom directed the California Air Resources Board (CARB) to take immediate action to increase the state's gasoline supply and bring down fuel prices by allowing oil refineries to make an early transition to winter-blend gasoline. When this action was taken in 2012, California gas prices declined by \$0.25/gallon within 13 days, and \$0.47/gallon after 20 days. CARB has issued an advisory allowing refineries to immediately begin distributing winter-blend gasoline.

**EXPLANATION FOR UNPRECEDENTED SPIKE:** The California Energy Commission (CEC) has sent a letter to industry executives demanding immediate and comprehensive explanations for this inexplicable, unprecedented spike in gas prices within the past 10 days. This explanation must address the fact that there haven't been any new state costs or regulations, that planned and unplanned maintenance typically does not result in large increases like this, and crude oil prices are down."

**Continuing to highlight the issue, on November 1<sup>st</sup>, the Governor issued the following:**

"California refiners Phillips 66 and Marathon reported profit increases up to 1243% higher than last year, while BP spent \$2.5 billion on share buybacks.

Governor Newsom has proposed a price gouging penalty that will put windfall oil company profits back in the pockets of Californians.

As gas price hikes hit Californians at the pump, oil companies and their refinery operations made record

profits in only three months from July to September:

- Phillips 66 profits jumped to \$5.4 billion, a 1243% increase over last year's \$402 million;
- BP posted \$8.2 billion in profits, its second-highest on record, with \$2.5 billion going towards share buybacks that benefit Wall Street investors;
- Marathon Petroleum profits rose to \$4.48 billion, a 545% increase over last year's \$694 million.

Phillips 66 and Marathon operate refineries in the state that have raised costs on Californians despite the cost of crude declining, blaming such increases on refinery maintenance and other issues.

This follows Valero's \$2.82 billion in profits that were 500% higher than the year before, PBF Energy's \$1.06 billion that was 1700% higher than the year before, Shell's \$9.45 billion haul that sent \$4 billion to shareholders for stock buybacks, Exxon's highest-ever \$19.7 billion in profits, and Chevron's \$11.2 billion in profits.

"Big oil is making record profits by ripping off Californians. They said high prices were because of war, state taxes and maintenance, but now we know that was all a facade – these high prices went straight to their bottom line," said Governor Newsom. "A price gouging penalty will put these windfall profits back in the pockets of Californians."

Following these record-breaking Q3 profits, big oil executives seem to be acknowledging the need to put money into the pockets of consumers. While Shell directly acknowledged it, Exxon did so in their own special, out-of-touch way:

- Shell CEO: "I think we should be prepared and accept that our industry will be looked at for raising taxes in order to fund the transfers to those who need it most."
- Exxon CEO: "There has been discussion in the US about our industry returning some of our profits directly to the American people. That's exactly what we're doing in the form of our quarterly dividend."

"This comes on the heels of a report showing that refiners like PBF Energy are making more profits off of Californians than in any other state – \$0.78 per gallon compared to the national average of \$0.50, a 56% differential. According to Consumer Watchdog, "PBF reported making 78 cents per gallon refining crude oil into gasoline in California in the third quarter – the greatest raw profits anywhere in the nation or world. By contrast, PBF's profits per gallon were 48 cents on the Gulf Coast, 49 cents per gallon on the East Coast, 55 cents per gallon in the Midwest – an average of 50 cents across the rest of America."

Big oil was making these record profits at a time when Californians were seeing gas price hikes at the pump, despite the fact that the cost of crude oil was down."

Governor Newsom has taken action to lower prices at the pump, ordering the switch to winter-blend gasoline and demanding accountability from oil companies and refiners that do business in California, leading to record relief at the pump for consumers. Since California's record-high gas prices of \$6.42, the Governor's actions have reduced those prices to \$5.54 most recently – a decrease of 88 cents."

The Special Session of the Legislature is set for Dec. 5<sup>th</sup> the day the new Legislature convenes in regular

session to begin the two year session, It is possible that they will convene the special session which will run concurrently with the regular session and then recess until January 4, 2023 without any action or vote on the Governor's proposal. The Legislature will break for its winter recess after the 5<sup>th</sup> and they will return January 4<sup>th</sup> to receive the Governor's proposed budget for 23-24. At this point revenues are running behind projections. There are concerns regarding the economy, but it is too soon to draw conclusions, but the years of budget surplus could be drawing to a close. The State Department of Finance will continue developing the January budget plan over the fall. This is an important time the County should use to develop priorities for next year in Sacramento.

**On October 17<sup>th</sup> the Governor announced that he will terminate the COVID emergency declaration effective February 28, 2023.**

He stated: "California's pandemic response saved tens of thousands of lives, protected the economy, distributed nation-leading financial assistance and built up an unprecedented public health infrastructure.

The SMARTER Plan will maintain California's operational preparedness to support communities and quickly respond to outbreaks.

This timeline gives the health care system needed flexibility to handle any potential surge that may occur after the holidays in January and February, in addition to providing state and local partners the time needed to prepare for this phaseout and set themselves up for success afterwards.

With hospitalizations and deaths dramatically reduced due to the state's vaccination and public health efforts, California has the tools needed to continue fighting COVID-19 when the State of Emergency terminates at the end of February, including vaccines and boosters, testing, treatments and other mitigation measures like masking and indoor ventilation. As the State of Emergency is phased out, the SMARTER Plan continues to guide California's strategy to best protect people from COVID-19.

Throughout the pandemic, we've been guided by the science and data – moving quickly and strategically to save lives. The State of Emergency was an effective and necessary tool that we utilized to protect our state, and we wouldn't have gotten to this point without it," said Governor Newsom. "With the operational preparedness that we've built up and the measures that we'll continue to employ moving forward, California is ready to phase out this tool."

To maintain California's COVID-19 laboratory testing and therapeutics treatment capacity, the Newsom Administration will be seeking two statutory changes immediately upon the Legislature's return: 1) The continued ability of nurses to dispense COVID-19 therapeutics; and 2) The continued ability of laboratory workers to solely process COVID-19 tests.

"California's response to the COVID-19 pandemic has prepared us for whatever comes next. As we move into this next phase, the infrastructure and processes we've invested in and built up will provide us the tools to manage any ups and downs in the future," said Secretary of the California Health & Human Services Agency, Dr. Mark Ghaly. "While the threat of this virus is still real, our preparedness and collective work have helped turn this once crisis emergency into a manageable situation."

Throughout the pandemic, Governor Newsom, the Legislature and state agencies have been guided by the science and data to best protect Californians and save lives – with a focus on those facing the greatest social and health inequities – remaining nimble to adapt mitigation efforts along the way as we learned more about COVID-19.

The state's efforts to support Californians resulted in:

- Administration of 81 million vaccinations, distribution of a billion units of PPE throughout the state and processing of 186 million tests.
- Allocation of billions of dollars to support hospitals, community organizations, frontline workers, schools and more throughout the pandemic.
- The nation's largest stimulus programs to support people hardest hit by the pandemic – \$18.5 billion for direct payments to Californians, \$8 billion for rent relief, \$10 billion for small business grants and tax relief, \$2.8 billion to help with overdue utility bills, and more.

California's pandemic response efforts have saved tens of thousands of lives, kept people out of the hospital and protected the economy:

- California's death rate is the lowest amongst large states. If California had Texas' death rate, 27,000 more people would have died here. If California had Florida's rate, that figure jumps to approximately 56,000 more deaths.
- In only the first ten months of vaccines being available, a study showed that California's efforts saved 20,000 lives, kept 73,000 people out of the hospital and prevented 1.5 million infections.
- California's actions during the pandemic protected the economy and the state continues to lead the nation in creating jobs and new business starts:
  - "'Lockdown' states like California did better economically than 'looser' states like Florida, new COVID data shows," with **California's economy having contracted less** than such states – economic output shrank 3.5% on average for the U.S., compared with 2.8% for California.
  - Since February 2021, **California has created 1,628,300 new jobs** – over 16% of the nation's jobs, by far more than any other state. By comparison, Texas created 1,133,200 jobs (11.3% of the nation's) and Florida created 787,600 jobs (7.9% of the nation's) in that same timeframe.
  - Since the beginning of 2019, data from the Bureau of Labor Statistics shows that **over 569,000 businesses started in California**, by far more than any other state.

Ending the executive order may impact the counties' current Brown Act compliance process. As of now there has not been any specific proposals to deal with that aspect of ending the executive order. We will keep you posted as to any discussions.



## **CARE Court**

On Sept 14th the Governor signed CARE Court into law. His office released the following statement:

“Governor Newsom signs CARE Court into law, providing a new path forward for Californians struggling with serious mental illness.

Passed in the Legislature with overwhelming support, CARE Court is a first-in-the-nation framework to empower individuals suffering from untreated schizophrenia and other psychotic disorders

CARE Court is bolstered by the state’s \$15.3 billion in funding to tackle homelessness and \$11.6 billion annually in mental health services

SAN JOSE – Alongside state and local leaders and Californians impacted by mental illness, Governor Gavin Newsom today signed legislation enacting CARE Court, a paradigm shift that will provide individuals with severe mental health and substance use disorders the care and services they need to get healthy.

The Community Assistance, Recovery, and Empowerment Act – SB 1338 by Senator Thomas Umberg (D-Santa Ana) and Senator Susan Talamantes Eggman (D-Stockton) – will provide help upstream, ahead of conservatorships and outside the walls of institutions. Under CARE Court, families, clinicians, first responders and others will be able to refer individuals suffering from schizophrenia spectrum or psychotic disorders.

“With overwhelming support from the Legislature and stakeholders across California, CARE Court will now become a reality in our state, offering hope and a new path forward for thousands of struggling Californians and empowering their loved ones to help,” said Governor Newsom. “I thank our legislators and the broad coalition of partners who made this day possible and look forward to our work ahead together to implement this transformative program in communities across California.”

CARE Court will be implemented statewide and will start with a phased-in approach. The first cohort to implement CARE Court includes the counties of Glenn, Orange, Riverside, San Diego, Stanislaus, Tuolumne and San Francisco.

CARE Court received bipartisan and near-unanimous approval in both the state Senate and Assembly. The framework is supported by unprecedented funding under the state’s \$15.3 billion investment in addressing homelessness, including \$1.5 billion for behavioral bridge housing; more than \$11.6 billion annually for mental health programs throughout California; and more than \$1.4 billion for our health and human services workforce. An additional \$88.3 million in CARE Court start-up funds was provided for the state, counties, courts, self-help and legal aid.

“I have seen first-hand the good that can come when our judicial, executive, and legislative branches work together to address delicate populations and nuanced issues like mental health, veterans, at-risk youth, and substance use,” said Senator Thomas J. Umberg (D-Santa Ana). “The individual frameworks and best practices for collaboration exist here – and we pulled them together in SB 1338 for something new and revolutionary in California. I’m proud to have been able to spearhead this effort with Senator Eggman and look forward to more advances in the years ahead.”

“It is an inescapable conclusion – with the evidence observable in community after community in

California – that our behavioral health system is broken and has allowed too many people with severe mental illness to fall through the cracks,” said Senator Susan Talamantes Eggman (D-Stockton). “The crisis is playing out on our streets and Californians want an answer to the crisis of conscience we all feel when we see this suffering firsthand. The CARE Act provides a critical new on-ramp into the behavioral health system for a population of people that are the hardest to reach. Basic human dignity requires us to put our full effort into helping get care for people struggling with severe mental illness on our streets. I applaud Governor Newsom and Secretary Ghaly for their leadership in crafting this bold and much needed reform. And I want to thank my colleague Senator Umberg for the strong partnership in shepherding the CARE Act through the legislature.”

CARE Court was created based on the evidence that people with untreated psychosis can be stabilized and housed in community-based care settings, with treatment and support. The plan focuses on people with schizophrenia spectrum and other psychotic disorders, who may also have substance use challenges.

“The CARE Act recognizes that to serve those with the most complex behavioral health conditions, we must do the hard work of prioritizing those who need help the most, providing a comprehensive CARE plan that honors self-determination to the greatest extent possible, and holding ourselves accountable to delivering services and housing that are key to long term stability and recovery,” said Secretary of the California Health & Human Services Agency, Dr. Mark Ghaly. “Today is significant and would not have been possible without the contributions of the many passionate and thoughtful individuals and organizations we have engaged with over the past many months to help craft this unprecedented and innovative legislation. On the shoulders of those who leaned in to get us to this point, we now shift our full energy to implementing the CARE Act program in counties across the state. Rolling up sleeves to collaborate, partner and plan so those who can benefit from this new pathway can do so as soon as possible.”

CARE Court will provide individuals with clinically appropriate, community-based and court-ordered Care Plans consisting of culturally and linguistically competent county mental health and substance use disorder treatment services. These include short-term stabilization medications, wellness and recovery supports, social services and housing. Services are provided to the individual while they live in the community. Plans can be between 12-24 months. In addition to their full clinical team, the client-centered approach also includes a volunteer supporter to help individuals make self-directed care decisions, and an attorney.

“NAMI stands proud to support the CARE Act and looks forward to seeing this legislation become a reality in every community throughout the state. CARE Court will be a lifeline to thousands of individuals across California looking for help to live a more fulfilling life,” said NAMI California CEO Jessica Cruz.

The CARE Court framework includes real accountability. Counties and other local governments could be issued fines by the court if they are out of compliance. That money will be placed in the CARE Act Accountability Fund and will be used to support the efforts of the local government entities that paid the fines to serve individuals.”

On Oct 14<sup>th</sup> we were informed that the Department of Health Care Services has finalized the county allocation schedule for both the \$26 million for the initial cohort of seven counties and \$31 million for all counties to prepare for implementation. Santa Barbara County will receive \$282,719 under the Departments Allocation schedule. It is anticipated funds will be allocated in December. The Department will issue high-level guidance regarding allowable uses of the funding per AB 179.

We worked extensively with our County Departments and CSAC to address county concerns regarding the Governor original proposal, securing amendments to address the need for resources to be provided, a phased in implementatuib revising unreasonable sanctions, , and greater county inpurt in the process including data and oversight.. The overall \$31 million allocation for planning preparation was based on three main elements: 1) 50 percent based on each county’s proportional share of the statewide population, 2) 50 percent based on each county’s proportional share of the estimated statewide homeless population, and 3) a minimum of \$250,000 per county.

### **Diablo Canyon Power Plant**

On September 2<sup>nd</sup> the Governor signed SB 846, which supports the option to extend the Diablo Canyon Power Plant (DCPP) by five years to meet the State's energy reliability needs and released the following statement:

“Climate change is causing unprecedented stress on California's energy system and I appreciate the Legislature's action to maintain energy reliability as the State accelerates the transition to clean energy. Senate Bill 846 facilitates the actions necessary to keep the option of the DCPP as a statewide reliability asset beyond the current 2024-2025 retirement dates of the plant's two units. The bill includes a rate component specific to the DCPP that does not apply outside of the extended operation of the DCPP. The legislation provides that the rate component established in the bill is applied based on a customer's gross consumption of electricity. As there is no existing definition of "gross consumption" in Public Utilities Code, I understand "gross consumption " to mean each customer's total amount of electricity accessed from the grid. The rate provisions in this bill do not take effect until and unless DCPP enters a period of extended operations, beginning in 2024.

In April of this year the Governor publicly comment on the possibility of extending operations of the DCPP. Since then, there was news reports and a Joint agency Workshop to discuss the need, option, and hurdles to extending operation of DCPP. On August 24, 2022, the Senate Committee on Energy, Utilities & Communications held an Oversight Hearing on the Proposal to Extend Operations of the Diablo Canyon Nuclear Power Plant.”

### **Cannabis**

On September 18<sup>th</sup> the Governor announced that he has signed several measures to strengthen California’s cannabis laws, expand the legal cannabis market and redress the harms of cannabis prohibition.

The Governor calls on legislators and other policymakers to redouble efforts to tackle barriers to access. The Governor’s office released the following statement:

“Though the state has made significant progress since the legalization of cannabis, local opposition, rigid bureaucracy and federal prohibition continue to pose challenges to the industry and consumers. The Governor is calling on legislators and other policymakers to redouble efforts to address and eliminate these barriers.”

“For too many Californians, the promise of cannabis legalization remains out of reach,” said Governor Newsom. “These measures build on the important strides our state has made toward this goal, but much work remains to build an equitable, safe and sustainable legal cannabis industry. I look forward to partnering with the Legislature and policymakers to fully realize cannabis legalization in communities across California.”

“The Governor signed SB 1326 by Senator Anna Caballero (D-Merced), which creates a process for California to enter into agreements with other states to allow cannabis transactions with entities outside California. SB 1186 by Senator Scott Wiener (D-San Francisco) preempts local bans on medicinal cannabis delivery, expanding patients’ access to legal, regulated cannabis products.”

“The Governor also signed two bills to further unwind California’s failed history of cannabis prohibition. AB 1706 by Assemblymember Mia Bonta (D-Oakland) ensures that Californians with old cannabis-related convictions will finally have those convictions sealed. And AB 2188 by Assemblymember Bill Quirk (D-Hayward) protects Californians from employment discrimination based on their use of cannabis off-the-clock and away from the workplace.”

“These bills build on the Administration’s efforts to strengthen California’s cannabis legalization framework. As part of this year’s state budget, the Governor signed legislation to provide tax relief to consumers and the cannabis industry; support equity businesses; strengthen enforcement tools against illegal cannabis operators; bolster worker protections; expand access to legal retail; and protect youth, environmental and public safety programs funded by cannabis tax revenue.”

“To expedite policy reforms that prioritize and protect California consumers’ health and safety, the Governor has directed the California Department of Public Health to convene subject matter experts to survey current scientific research and policy mechanisms to address the growing emergence of high-potency cannabis and hemp products. The Governor has also directed the Department of Cannabis Control to further the scientific understanding of potency and its related health impacts by prioritizing the funding of research related to cannabis potency through its existing public university grants.”

A full list of cannabis-related bills signed by the Governor can be found below:

- AB 1706 by Assemblymember Mia Bonta (D-Oakland) – Cannabis crimes: resentencing.
- AB 1646 by Assemblymember Phillip Chen (R-Yorba Linda) – Cannabis packaging: beverages.
- AB 1885 by Assemblymember Ash Kalra (D-San Jose) – Cannabis and cannabis products: animals: veterinary medicine.
- AB 1894 by Assemblymember Luz Rivas (D-Arleta) – Integrated cannabis vaporizer: packaging, labeling, advertisement, and marketing.

- AB 2210 by Assemblymember Bill Quirk (D-Hayward) – Cannabis: state temporary event licenses: venues licensed by the Department of Alcoholic Beverage Control: unsold inventory.
- AB 2188 by Assemblymember Bill Quirk (D-Hayward) – Discrimination in employment: use of cannabis.
- AB 2568 by Assemblymember Ken Cooley (D-Rancho Cordova) – Cannabis: insurance providers.
- AB 2925 by Assemblymember Jim Cooper (D-Elk Grove) – California Cannabis Tax Fund: spending reports.
- SB 1186 by Senator Scott Wiener (D-San Francisco) – Medicinal Cannabis Patients’ Right of Access Act.
- SB 1326 by Senator Anna Caballero (D-Merced) – Cannabis: interstate agreements.

### Climate

On September 16<sup>th</sup> Governor Newsom signed sweeping climate measures, ushering in a new era of world-leading climate action. New California laws will create 4 million jobs, reduce the state’s oil use by 91%, cut air pollution by 60%, protect communities from oil drilling, and accelerate the state’s transition to clean energy. The Legislative package complements a record of \$54 billion in the climate budget that focuses on equity and economic opportunity.

The Governor’s staff released the following statement:

“Today, California enacted some of the nation’s most aggressive climate measures in history as Governor Gavin Newsom signed a sweeping package of legislation to cut pollution, protect Californians from big polluters, and accelerate the state’s transition to clean energy. The Governor partnered with legislative leaders this session to advance groundbreaking measures to achieve carbon neutrality no later than 2045 and 90% clean energy by 2035, establish new setback measures protecting communities from oil drilling, capture carbon pollution from the air, advance nature-based solutions, and more.”

“This is an essential piece of the California Climate Commitment, a record \$54 billion investment in climate action that exceeds what most countries are spending and advances economic opportunity and environmental justice in communities across the state.”

Over the next two decades, the California Climate Commitment will:

- Create 4 million new jobs
- Cut air pollution by 60%
- Reduce state oil consumption by 91%

- Save California \$23 billion by avoiding the damages of pollution
- Reduce fossil fuel use in buildings and transportation by 92%
- Cut refinery pollution by 94%

Taken together, these measures represent the most significant action on the climate crisis in California's history and raises the bar for governments around the world.

“This month has been a wake-up call for all of us that later is too late to act on climate change. California isn't waiting anymore,” said Governor Newsom. “Together with the Legislature, California is taking the most aggressive action on climate our nation has ever seen. We're cleaning the air we breathe, holding the big polluters accountable, and ushering in a new era for clean energy. That's climate action done the California Way – and we're not only doubling down, we're just getting started.”

In Vallejo, Governor Newsom signs sweeping climate measures into law.

With multiple oil refineries in the distance, the Governor signed the legislation alongside legislative leaders at the USDA Forest Service Regional Office on Mare Island, a facility powered by clean energy that also feeds the grid.

“Our state has been facing extreme temperatures, putting our communities, especially our most vulnerable neighbors, at risk. We're also continuing to deal with an historic drought and the ongoing threat of wildfires. The challenges of climate change are here, and this Legislative session, we took bold action to address these severe conditions and mitigate future risk both through our state budget and key legislation,” said Senate President pro Tempore Toni G. Atkins (D-San Diego). “We established ambitious and necessary goals to reduce carbon emission and increase renewable energy. We provided the tools industry needs to capture and store carbon before it hits the atmosphere. And we invested in critical infrastructure programs that will keep us firmly planted on the path to a greener future, while simultaneously creating jobs that will support families across the state. California has, and will continue to, lead the nation on not only addressing the worsening climate crisis, but finding proactive solutions.”

“It's great to see California and the Governor celebrating our collective dedication to climate response. The Assembly has initiated this kind of legislation for years and put forward some of these bills more than a year ago,” said Assembly Speaker Anthony Rendon (D-Lakewood). “That makes it especially heartening to be able to enact a package like this as a team. I look forward to working on additional climate change legislation with the Governor and the Senate. We are just getting started.”

The climate package signed today includes:

- **CARBON NEUTRALITY:** AB 1279 by Assemblymembers Al Muratsuchi (D-Torrance) and Cristina Garcia (D-Bell Gardens) codifies the statewide carbon neutrality goal to dramatically reduce climate pollution.
  - Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045, and establishes an 85% emissions reduction target as part of that goal.
- **PROTECT COMMUNITIES AGAINST OIL DRILLING:** SB 1137 by Senators Lena Gonzalez (D-Long Beach) and Monique Limón (D-Santa Barbara) protects communities from the harmful impacts of the oil industry.
  - Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, parks or businesses open to the public.
  - Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities.
- **100% CLEAN ELECTRIC GRID:** SB 1020 by Senator John Laird (D-Santa Cruz) establishes a pathway toward the state’s clean energy future.
  - 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.
- **CAPTURING AND REMOVING CARBON POLLUTION:** SB 905 by Senators Anna Caballero (D-Merced) and Nancy Skinner (D-Berkeley) and SB 1314 by Senator Monique Limón (D-Santa Barbara) advance engineered technologies to remove carbon pollution, while banning the use of those technologies for enhanced oil recovery.
  - Establishes a clear regulatory framework for carbon removal and carbon capture, utilization and sequestration.
  - Bans the practice of injecting carbon dioxide for the purpose of enhanced oil recovery.
- **NATURE-BASED SOLUTIONS:** AB 1757 by Assemblymembers Cristina Garcia (D-Bell Gardens) and Robert Rivas (D-Salinas) enlists nature in the state’s climate agenda.
  - Requires the state to develop an achievable carbon removal target for natural and working lands.

“Last week, Governor Newsom signed legislation to help protect Californians from more frequent and severe heat waves driven by climate change. This month’s legislative action comes on the heels of California enacting a world-leading regulation to phase out sales of new gas-powered cars by 2035.

In a July letter to the Chair of the California Air Resources Board (CARB), Governor Newsom called for the state to ensure that the 2022 Climate Change Scoping Plan provides a path to achieve both the 2030 climate goal and state carbon neutrality no later than 2045, requesting that

the final plan incorporates new efforts to advance offshore wind, clean fuels, climate-friendly homes, carbon removal and address methane leaks.”

The full set of bills the Governor signed that work toward achieving the state’s climate goals include:

- AB 1279 by Assemblymember Al Muratsuchi (D-Torrance) – The California Climate Crisis Act.
- AB 1384 by Assemblymember Jesse Gabriel (D-Encino) – Resiliency Through Adaptation, Economic Vitality, and Equity Act of 2022.
- AB 1389 by Assemblymember Eloise Gómez Reyes (D-Colton) – Clean Transportation Program: project funding preferences.
- AB 1749 by Assemblymember Cristina Garcia (D-Bell Gardens) – Community emissions reduction programs: toxic air contaminants and criteria air pollutants.
- AB 1757 by Assemblymember Cristina Garcia (D-Bell Gardens) – California Global Warming Solutions Act of 2006: climate goal: natural and working lands.
- AB 1857 by Assemblymember Cristina Garcia (D-Bell Gardens) – Solid waste.
- AB 1909 by Assemblymember Laura Friedman (D-Glendale) – Vehicles: bicycle omnibus bill.
- AB 1985 by Assemblymember Robert Rivas (D-Salinas) – Organic waste: recovered organic waste product procurement targets.
- AB 2061 by Assemblymember Philip Ting (D-San Francisco) – Transportation electrification: electric vehicle charging infrastructure.
- AB 2075 by Assemblymember Philip Ting (D-San Francisco) – Energy: electric vehicle charging standards.
- AB 2108 by Assemblymember Robert Rivas (D-Salinas) – Water policy: environmental justice: disadvantaged and tribal communities.
- AB 2204 by Assemblymember Tasha Boerner Horvath (D-Encinitas) – Clean energy: Labor and Workforce Development Agency: Deputy Secretary for Climate.
- AB 2278 by Assemblymember Ash Kalra (D-San Jose) – Natural resources: biodiversity and conservation report.
- AB 2316 by Assemblymember Christopher Ward (D-San Diego) – Public Utilities Commission: customer renewable energy subscription programs and the community renewable energy program.
- AB 2440 by Assemblymember Jacqui Irwin (D-Thousand Oaks) – Responsible Battery Recycling Act of 2022.
- AB 2446 by Assemblymember Chris Holden (D-Pasadena) – Embodied carbon emissions: construction materials.



- AB 2622 by Assemblymember Kevin Mullin (D-South San Francisco) – Sales and use taxes: exemptions: California Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project: transit buses.
- AB 2700 by Assemblymember Kevin McCarty (D-Sacramento) – Transportation electrification: electrical distribution grid upgrades.
- AB 2836 by Assemblymember Eduardo Garcia (D-Coachella) – Carl Moyer Memorial Air Quality Standards Attainment Program: vehicle registration fees: California tire fee.
- SB 379 by Senator Scott Wiener (D-San Francisco) – Residential solar energy systems: permitting.
- SB 529 by Senator Robert Hertzberg (D-Van Nuys) – Electricity: electrical transmission facilities.
- SB 887 by Senator Josh Becker (D-Menlo Park) – Electricity: transmission facility planning.
- SB 905 by Senator Anna Caballero (D-Merced) – Carbon sequestration: Carbon Capture, Removal, Utilization, and Storage Program.
- SB 1010 by Senator Nancy Skinner (D-Berkeley) – Air pollution: state vehicle fleet.
- SB 1020 by Senator John Laird (D-Santa Cruz) – Clean Energy, Jobs, and Affordability Act of 2022.
- SB 1063 by Senator Nancy Skinner (D-Berkeley) – Energy: appliance standards and cost-effective measures.
- SB 1075 by Senator Nancy Skinner (D-Berkeley) – Hydrogen: green hydrogen: emissions of greenhouse gases.
- SB 1109 by Senator Anna Caballero (D-Merced) – California Renewables Portfolio Standard Program: bioenergy projects.
- SB 1137 by Senator Lena Gonzalez (D-Long Beach) – Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors.
- SB 1145 by Senator John Laird (D-Santa Cruz) – California Global Warming Solutions Act of 2006: greenhouse gas emissions: dashboard.
- SB 1158 by Senator Josh Becker (D-Menlo Park) – Retail electricity suppliers: emissions of greenhouse gases.
- SB 1203 by Senator Josh Becker (D-Menlo Park) – Net-zero emissions of greenhouse gases: state agency operations.
- SB 1205 by Senator Ben Allen (D-Santa Monica) – Water rights: appropriation.
- SB 1215 by Senator Josh Newman (D-Fullerton) – Electronic Waste Recycling Act of 2003: covered battery-embedded products.
- SB 1230 by Senator Monique Limón (D-Santa Barbara) – Zero-emission and near-zero-emission vehicle incentive programs: requirements.
- SB 1251 by Senator Lena Gonzalez (D-Long Beach) – Governor’s Office of Business and Economic Development: Zero-Emission Vehicle Market Development Office: Zero-Emission Vehicle Equity Advocate.

- SB 1291 by Senator Bob Archuleta (D-Pico Rivera) – Hydrogen-fueling stations: administrative approval.
- SB 1314 by Senator Monique Limón (D-Santa Barbara) – Oil and gas: Class II injection wells: enhanced oil recovery.
- SB 1322 by Senator Ben Allen (D-Santa Monica) – Energy: petroleum pricing.
- SB 1382 by Senator Lena Gonzalez (D-Long Beach) – Air pollution: Clean Cars 4 All Program: Sales and Use Tax Law: zero emissions vehicle exemption.

Governor Newsom previously signed:

- AB 2251 by Assemblymember Lisa Calderon (D-Whittier) – Urban forestry: statewide strategic plan.
- SB 1174 by Senator Robert Hertzberg (D-Van Nuys) – Electricity: eligible renewable energy or energy storage resources: transmission and interconnection.”

### Housing

**On September 28<sup>th</sup>, the Governor released the following statement pertaining to housing.**

#### **California to Build More Housing, Faster**

“Legislation signed today will create much-needed new housing units aimed at helping middle- and low-income Californians and create thousands of good paying jobs

SAN FRANCISCO – Building on California’s historic efforts to tackle the housing crisis, Governor Gavin Newsom today signed legislation to streamline the housing approval process in California and create thousands of good paying jobs. Governor Newsom also announced \$1 billion in awards to 30 shovel-ready projects through the California Housing Accelerator – creating 2,755 new homes for Californians.

“California has made historic investments and taken unprecedented actions to tackle the state’s housing crisis over the past four years,” said Governor Newsom. “But we recognize there’s more work to do – this package of smart, much-needed legislation will help us build new homes while rebuilding the middle class. I’m thankful for the leadership of the Legislature for stepping up to meet this moment to help address the affordability crisis that stretches across the entire nation.”

Governor Newsom signed the housing package alongside legislative, local, housing, and labor leaders, at the future site of an affordable housing community in San Francisco.

“SB 6 and AB 2011 are game changers when it comes to producing desperately needed housing for all income levels,” said Senate President pro Tempore Toni Atkins. “These two bills are the culmination of many years of work to find solutions that streamline the regulatory process and ensure that workers building homes are being paid a fair wage. I applaud Senator Anna Caballero and Assemblymember Buffy Wicks for their dynamic teamwork and tireless dedication to serving their communities, and our state. I’m grateful to Governor Newsom for signing these bills, and to Senate Majority Leader Mike McGuire, Speaker Anthony Rendon, and our labor partners for helping make this victory possible. With these laws in place, we will soon see more building and more jobs, and more families will be able to achieve the California Dream.”

“Today’s signings demonstrate that we can make real progress on improving California’s housing outlook, despite the many challenges we face,” said Assembly Speaker Anthony Rendon. “In particular, AB 2011 shows what can be accomplished when disparate advocates team up on a critical goal. And, of course, the Assembly is proud to have been able to team up with the Senate and the Governor to make this all a reality.”

AB 2011 by Assemblymember Buffy Wicks (D-Oakland) and SB 6 by Senator Anna Caballero (D-Merced) together will:

- **Help create much-needed new housing units** for low- and middle-income Californians by allowing housing to be built in underutilized commercial sites currently zoned for retail, office, and parking uses.
- **Generate thousands of jobs** with health benefits and good wages – and encourage apprenticeships.
- **Increase use of public transit** by building housing near existing transit or near corridors for new transit.

“The Middle-Class Housing Act or SB 6 can result in the construction of at least 2 million housing units and is one solution to build up and avoid sprawl,” said Senator Anna M. Caballero. “SB6 gives local governments the option for an expedited development process to avoid the property remaining vacant. SB6 includes strong worker protections to ensure that homes built under SB6 pay workers fair wages and prioritizes the use of a skilled and trained workforce. The bottom line is that SB6 is transformational for cities and middle-class families which coupled with historic state investments, families will have a real chance at being able to buy a home of their dreams.”

“Today we are taking a monumental step in our efforts to turn our housing crisis in a different direction,” said Assemblymember Buffy Wicks. “The Governor’s signature on AB 2011 marks a turning point for California’s housing production needs — no longer will lack of land be an issue. No longer will there be a lack of incentive for workers to join the construction workforce. And, no longer will red tape and bureaucracy prohibit us from building housing in the right locations to address our climate crisis.”

“This legislation will help create millions of desperately needed new homes and protect the workers who will build it,” said Doug McCarron, General President, United Brotherhood of Carpenters. “Importantly, it will give the workers an opportunity to afford the housing they’re building. I want to commend Governor Newsom and the California State Legislature for advancing this ambitious and necessary housing package.”

“The Governor also announced that the Department of Housing and Community Development is awarding \$1.02 billion in funding for the second round of the [California Housing Accelerator](#), providing funding to 30 shovel-ready projects whose financing has been stalled because they have been unable to obtain tax credits. These new awards will help get construction underway quickly for 2,755 new housing units throughout the state. To date, \$1.9 billion in funding for the California Housing Accelerator has been awarded, supporting a total of 57 projects to produce a total of 5,071 units. The vast majority of these units will be for extremely low to very low-income households and unhoused residents, and will provide affordable homes for seniors, families, transitional-age youth, veterans, people with disabilities, essential workers and unhoused individuals.”

“Last year’s California Comeback Plan invested a historic \$10.3 billion – by far the most ever invested in housing – into a comprehensive housing affordability strategy, while also implementing new laws and accountability measures. Building on these unprecedented efforts, this year’s budget invests an additional \$3.3 billion for affordable housing production and homeownership opportunities.”

A full list of the bills in the housing and homelessness package can be found here:

- AB 252 by Assemblymember Mia Bonta (D-Oakland) - Floating home marinas: rent caps.
- AB 682 by Assemblymember Richard Bloom (D-Santa Monica) - Planning and zoning: density bonuses: shared housing buildings.
- AB 916 by Assemblymember Rudy Salas (D-Bakersfield) - Zoning: bedroom addition.

- AB 1206 by Assemblymember Steve Bennett (D-Ventura) - Property taxation: affordable housing: welfare exemption.
- AB 1551 by Assemblymember Miguel Santiago (D-Los Angeles) - Planning and zoning: development bonuses: mixed-use projects.
- AB 1654 by Assemblymember Robert Rivas (D-Salinas) - Low-income housing: insurance tax: credits: farmworker housing.
- AB 1695 by Assemblymember Miguel Santiago (D-Los Angeles) - Affordable housing loan and grant programs; adaptive reuse.
- AB 1719 by Assemblymember Christopher Ward (D-San Diego) - Housing: Community College Faculty and Employee Housing Act of 2022.
- AB 1743 by Assemblymember Tina McKinnor (D-Inglewood) - General plan: annual report.
- AB 1837 by Assemblymember Mia Bonta (D-Oakland) - Residential real property: foreclosure.
- AB 1933 by Assemblymember Laura Friedman (D-Glendale) - Property taxation: welfare exemption: nonprofit corporations: low-income families.
- AB 1978 by Assemblymember Christopher Ward (D-San Diego) - Department of Housing and Community Development: powers.
- AB 1991 by Assemblymember Jesse Gabriel (D-Encino) - Motels and hotels: publicly funded shelter programs.
- AB 2006 by Assemblymember Marc Berman (D-Menlo Park) - Regulatory agreements: compliance monitoring.
- AB 2011 by Assemblymember Buffy Wicks (D-Oakland) - Affordable Housing and High Road Act of 2022.
- AB 2031 by Assemblymember Alex Lee (D-San Jose) - Mobilehome Residency Law: management meetings with homeowners.
- AB 2094 by Assemblymember Robert Rivas (D-Salinas) - General plan: annual report; extremely low-income housing.

- AB 2221 by Assemblymember Sharon Quirk-Silva (D-Fullerton) - Accessory dwelling units.
- AB 2234 by Assemblymember Robert Rivas (D-Salinas) - Planning and zoning: housing: post entitlement phase permits.
- AB 2295 by Assemblymember Richard Bloom (D-Santa Monica) - Local Educational agencies: housing development projects.
- AB 2334 by Assemblymember Buffy Wicks (D-Oakland) - Density Bonus Law: affordability: incentives or concessions in very low vehicle travel areas: parking standards: definitions.
- AB 2339 by Assemblymember Richard Bloom (D-Santa Monica) - Housing element: emergency shelters: regional housing need.
- AB 2483 by Assemblymember Brian Maienschein (D-San Diego) - Housing for individuals experiencing homelessness.
- AB 2651 by Assemblymember Cottie Petrie-Norris (D-Laguna Beach) - Property taxes: welfare exemption: community land trust.
- AB 2653 by Assemblymember Miguel Santiago (D-Los Angeles) - Planning and Zoning Law: housing elements.
- AB 2668 by Assemblymember Tim Grayson (D-Concord) - Planning and zoning.
- SB 6 by Senator Anna Caballero (D-Merced) - Local planning: housing: commercial zones.
- SB 649 by Senator Dave Cortese (D-San Jose) - Local governments: affordable housing: local tenant preference.
- SB 679 by Senator Sydney Kamlager (D-Los Angeles) - Los Angeles County: affordable housing.
- SB 869 by Senator Connie Leyva (D-Chino) - Housing: mobilehome parks: recreational Vehicle parks: manager training.
- SB 886 by Senator Scott Wiener (D-San Francisco) - California Environmental Quality Act: exemption: public universities: university housing development projects.

- SB 897 by Senator Bob Wieckowski (D-Fremont) - Accessory dwelling units: junior accessory dwelling units.
- SB 914 by Senator Susan Rubio (D-Baldwin Park) - HELP Act.
- SB 940 by Senator John Laird (D-Santa Cruz) - Mobilehome parks: local ordinances.
- SB 948 by Senator Josh Becker (D-Menlo Park) - Housing finance programs: development reserves.
- SB 959 by Senator Anthony Portantino (D-La Cañada Flintridge) - Surplus residential property: use of funds: priorities and procedures: City of Pasadena.
- SB 1252 by the Committee on Housing - Housing.
- SB 1307 by Senator Susan Rubio (D-Baldwin Park) - Department of Housing and Community Development: Mobilehome Parks Act: Special Occupancy Parks Act.
- SB 1396 by Senator Steven Bradford (D-Gardena) - Tenancy: credit reporting: lower income households: evaluation.
- SB 1421 by Senator Brian Jones (R-Santee) - California Interagency Council on Homelessness.
- SB 1444 by Senator Ben Allen (D-Santa Monica) - Joint powers authorities: South Bay Regional Housing Trust.

### **Farmworker Resource Center Grant Program**

The California Department of Community Services and Development will be releasing the Farmworker Resource Center Grant NOFA on November 15<sup>th</sup>. There is a meeting of the Farmworker Resource Center Workgroup on November 7<sup>th</sup> to provide a final opportunity for workgroup and public feedback.

### **Homelessness**

**On Nov. 3<sup>rd</sup> Governor Newsom released the following statement regarding homelessness: More Aggressive Action on Homelessness, Pauses Latest Round of State Funding**

“Collectively, the plans as-submitted would reduce street homelessness statewide by just 2%.

Governor Gavin Newsom announced that he will convene local leaders in mid-November to review the state’s collective approach to homelessness and identify new strategies to better address the

growing homelessness crisis. Until this convening, the state will hold on providing the remaining third round of Homelessness Housing, Assistance and Prevention (HHAP) grants.

“Californians demand accountability and results, not settling for the status quo,” said Governor Newsom. “As a state, we are failing to meet the urgency of this moment. Collectively, these plans set a goal to reduce street homelessness 2% statewide by 2024. At this pace, it would take decades to significantly curb homelessness in California – this approach is simply unacceptable. Everyone has to do better – cities, counties, and the state included. We are all in this together.”

All together, the plans result in just a 2% decrease of homelessness over four years statewide. While some plans show local leaders taking aggressive action to combat homelessness, others are less ambitious – some plans even reflect double-digit increases in homelessness over four years. The Governor is calling all local jurisdictions together for a meeting in mid-November to coordinate on an approach that will deliver more substantial results. This meeting will be an opportunity to learn from one another about what works, as well as to identify barriers that inhibit the progress we all want to make and strategies to remove them.

The third round of HHAP grants provides a share of \$1 billion to every county, Continuum of Care, and the 13 largest cities in the state, on the condition that each local government has a plan approved by the state that reduces the number of unsheltered homeless individuals and increases permanent housing.

The state has so far provided over \$1.5 billion of flexible emergency aid to address homelessness through the Homeless Emergency Aid Program and the first two rounds of HHAP funding. Now, for the first time, recipients of the third round of HHAP funding have new requirements and must create a Homelessness Action Plan that addresses, in detail, local actions to prevent and reduce the number of individuals experiencing homelessness at the community level. The plans must include a landscape analysis that assesses the current number of people experiencing homelessness in a given community and identify all existing programs, and all sources of funding aimed at tackling this crisis. Additionally, the plans must include outcome-driven results and strategies for achieving these goals using clear metrics to track success.

The HHAP program is part of a \$15.3 billion, multi-year state effort to turn the tide on homelessness – an all-of-the-above approach that includes cutting red tape and funding the largest expansion of homeless housing in California history. Governor Newsom has taken unprecedented steps to address homelessness and housing statewide, providing local governments more money than ever before to address this crisis. Groundbreaking programs like Homekey and Project Roomkey have become national models for getting people off the streets, faster than ever before and at a fraction of the usual cost. In partnership with cities and counties throughout the state,



Project Roomkey has sheltered more than 60,000 people since the pandemic began, and Homekey has funded 12,500 units since its inception in late 2020.

Additionally, since September 1, 2021, Caltrans has cleared over 1,600 encampments, cleaning up 2,227 tons of trash, enough to fill more than 40 Olympic-sized swimming pools. The budget Governor Newsom signed earlier this year includes \$700 million for encampment resolution grants with \$350 million earmarked for assisting those living on state right-of-way property. Also, through Clean California, the Governor has invested \$1.1 billion to revitalize streets and public spaces through litter abatement and local beautification projects – generating an estimated 10,000 jobs, including for people exiting homelessness, at-risk youth, veterans, formerly incarcerated people, local artists and students.”

### **AB 1400 (Kalra) Guaranteed Health Care for All**

AB 1400 (Kalra) which would have established the California Guaranteed Health Care for All or CalCare as California's single-payer health care coverage program was not brought up for a vote on January 31, 2022 on the Assembly floor. The author did not have sufficient votes to pass the measure and this particular vehicle will not move forward this year.

ACA 11 was also introduced in order provide funding for AB 1400. ACA 11 would impose both a new excise tax and a new payroll tax, and increase personal income tax rates to fund universal single-payer health care coverage and a health care cost control system. ACA 11 is still pending in the Legislature.

AB 1400 would have established the CalCare Board to administer CalCare. The bill would have required, on or before July 1, 2024, the Board to conduct and deliver a fiscal analysis to the Legislature to determine both of the following:

- 1) Whether or not CalCare may be implemented; and
- 2) Whether revenue is more likely than not to be sufficient to pay for program costs within eight years of CalCare's implementation.

The bill indicated that after the Board has determined whether or not CalCare may be implemented and if program revenue is more likely than not to be sufficient to pay for program costs within eight years of CalCare's implementation, CalCare to not be further implemented until the Senate Committee on Health, Assembly Committee on Health, Senate Committee on Appropriations, and Assembly Committee on Appropriations consider, and the Legislature approves, by statute, the implementation of CalCare.

The bill, except for the general provisions, governance structure, and federal waiver authority to not become operative until the people of California approve a proposition that creates the revenue mechanisms necessary to implement this bill, after taking into consideration consolidation of existing revenues for health care coverage and anticipated savings from a single-payer health care coverage and a health care cost control system.

Assembly Speaker Anthony Rendon (D-Lakewood) released the following statement following Assemblymember Ash Kalra’s (D-San Jose) decision not to bring AB 1400, a vote: “The shortage of votes needed to pass this bill out of the Assembly indicates the immense difficulty of implementing

single-payer healthcare in California. Nevertheless, I'm deeply disappointed that the author did not bring this bill up for a vote today. I support single-payer and fully intended to vote yes on this bill. With time, we will have better and more successful legislation to bring us closer to this goal. I expect more and more of my colleagues to sign on, so we can make California a health care justice leader. Every Californian deserves quality health care without facing economic nightmares.”

This is the second time in the last five years that a single-payer bill has died in the Assembly. A previous bill, SB 562 (Lara) of the 2017-2018 Legislative Session, proposed a law, called Healthy California, similar to the one proposed by AB 1400, which was shelved by Speaker Anthony Rendon.

Although not the same, the 2022-23 State Budget expands Medi-Cal to all eligible Californians regardless of immigration status. Currently, income eligible young adults 25 and younger and those 50 and older have access to full scope Medi-Cal. This action will expand access to ages 26 through 49 beginning no later than January 1, 2024.

New single payer legislation can be introduced in the new legislative session that begins December 5<sup>th</sup>. The failure to pass this bill has become an issue within the Assembly.

### **Alisal Wildfire**

On October 24<sup>th</sup>, Santa Barbara County signed a Proclamation of Local Emergency for the October 2021 storms and requested Governor Newsom to proclaim a state of emergency.

We worked with the County on securing a state of emergency from the State and have continued to work with the County and State on funding resources for the resulted damage. On July 1, 2022, Governor Newsom proclaimed a state of emergency in Santa Barbara County due to the impacts of the Alisal Fire. The emergency proclamations enable Caltrans to request immediate federal assistance for highway repairs or reconstruction in Santa Barbara County. The emergency proclamation for Santa Barbara County directs the Office of Emergency Services to assist recovery efforts in the county pursuant to the California Disaster Assistance Act, and includes a provision to ease access to unemployment benefits for those unemployed as a result of the Alisal Fire.

### **Public Banking, IBank and Banking Issues**

#### *AB 1177 (Santiago)*

In 2021, AB 1177 (Santiago) was amended on August 26<sup>th</sup> to rename the program “CalAccount” instead of “BankCal”. This bill will establish a nine member CalAccount Blue Ribbon Commission, to be composed of all of the following members: the Treasurer, the Commissioner of the Department of Financial Protection and Innovation, an individual with banking expertise appointed by the Senate Rules Committee, a public banking advocate appointed by the Senate Rules Committee, an individual with economic and racial justice and cultural competence expertise appointed by the Speaker of the Assembly, a consumer representative or advocate appointed by the Speaker of the Assembly, an employee representative appointed by the Governor, an individual with expertise in banking or consumer financial services affiliated with an academic institution appointed by the Governor, and an individual with banking expertise appointed by the Governor. The bill is set to sunset on January 1, 2032. The bill was chaptered into law on October 4, 2021.

This bill was co-sponsored by the California Public Banking Alliance, the California Reinvestment Coalition, and SEIU California and supported by a number of community organizations, and consumer advocacy groups. This bill is opposed by a number of organizations representing the financial services and business sector in California.

*AB 1177 (Santiago) Chapter 451, Statutes of 2021 established the following:*

- 1) Require the State Treasurer, by September 1, 2022, to establish the CalAccount Blue Ribbon Commission (Commission).
- 2) Require the Commission, by July 1, 2024, to conduct a market analysis to evaluate the feasibility of the proposed CalAccount Program, which is a program established by the state for the purpose of protecting consumers who lack access to traditional banking services from predatory, discriminatory, and costly alternatives through specified banking and payment services, such as no-cost transaction accounts. The market analysis must cover specified research topics, including whether there are alternative programs that would accomplish similar policy objectives as the proposed CalAccount Program.
- 3) Provide descriptions of program characteristics of the CalAccount Program, such as its administration and the types of banking and payment products and services that it will offer participants, to be reflected in and evaluated by the required market analysis.
- 4) Authorize the Commission to issue a supplemental report to accompany the market analysis, which may include an assessment of the market analysis, feedback from the public following public hearings, and recommendations related to the implementation of the CalAccount Program.
- 5) Require the Commission to deliver, and upon request present, the market analysis and any supplemental report to the Chair of the Senate Committee on Banking and Financial Institutions and the Chair of the Assembly Committee on Banking and Finance.

*AB 857 (Chiu)*

On October 2, 2019, the Governor signed into law AB 857 (Chapter 442, Statutes of 2019). AB 857 established a process for a local agency to apply for a public bank charter from the Department of Financial Protection and Innovation. AB 857 specified that a local agency would need to meet the same general requirements and approval criteria as existing law requires of a private sector applicant for a banking license, including obtaining deposit insurance provided by the Federal Deposit Insurance Corporation. AB 857 authorized the Commissioner of Financial Protection and Innovation to promulgate regulations for the purpose of carrying out the Commissioner's duties under the new law.

On September 14, 2021, the Office of Administrative Law (OAL) approved regulatory action PRO 1/20 from the Department of Financial Protection and Innovation (DFPI), which amends and adopts various sections in Subchapter 1 in Title 10, Chapter 10 of the California Code of Regulations (CCR) to implement and administer legislation authorizing public banks.

On March 5, 2021, DFPI published its notice of modifications and modified text. The 15-day public comment period concluded March 26, 2021. In DFPI's final statement of reasons, the Department responded to four comment letters received during the initial notice period from December 4, 2021, through January 21, 2021, and three comment letters received during the 15-day comment period.

DFPI's rulemaking action further defines terms used in the public banking process and clarifies the process itself. Under this rulemaking action, public banks may offer local agency banking, infrastructure lending, participation lending, and wholesale lending. DFPI intends for this rulemaking action to allow local agencies to achieve greater return rates on their investment through involvement with public banks which would, in turn, improve infrastructure.

DFPI states that this regulatory action to strike a balance between supporting the benefits which may be realized by Californians and protecting against a public bank's failure by ensuring that public bank applicants demonstrate the financial ability, stability and experience to ensure a likelihood of success. The regulatory changes went into effect January 1, 2022.

### **340B Program**

When the Governor proposed his RX initiative one of the consequences would have been ending the 340 B program which provides funding for various local health care programs. Santa Barbara is unique in that it uses these funds to operate the counties system of clinics. We worked closely with the primary care association we secured a state backfill in the budget but the RX initiative has had multiple state delays. The Governor removed the backfill when he thought the pandemic would put the state into a deficit. We got the Legislature to put it back again and funding remains in the state budget.

However we remain concerned regarding the distribution formula that the State has been considering which would not come close to offsetting the counties revenue loss. WE have been meeting with the Administration and Legislature to address this question. It remains unresolved.

The State is currently finalizing the application process for the backfill. The State said that they would check on the status of the State Plan Amendment (SPA) that codifies the backfill formula. We have had virtual meetings to reconnect with the Administration, CA Department of Finance, our local Delegation, Legislative budget staff, the California Health and Human Services Agency and the new Director of the Department of Health Care Services to advocate for the County to get its correct share of the funds. We are waiting for the release of the State's distribution formula to discuss next steps.

Meanwhile, the County of Santa Barbara is requesting that the State addresses the disparity that Santa Barbara County is facing as result of the Department's proposed formula, which is based on Health Center encounters and not related to the volume of pharmacy services. In earlier discussions with DHCS, they suggested that the County pursues a legislative solution because the Supplemental Payment Pool formula would not provide an adequate amount of backfill of the revenue loss.

Santa Barbara County's own analysis noted a loss of \$4 million. The reduction in 340B savings could negatively impact patient care as the PHD would be forced to cut a variety of programs, including reductions in Health Center services, staffing and workforce, and available specialty and mental health care. This will result in poor health outcomes for the indigent and underserved county residents and special populations including people experiencing homelessness, as well as reduced access for Medi-Cal patients. No other FQHC in Santa Barbara County provides specialty care within their FQHC scope and our Santa Barbara County Health Centers are depended on as a place to refer to for the Medi-Cal and uninsured patients.

The County had requested an additional \$2M general fund commitment, which would strengthen the nonhospital clinic supplemental payment pool. This issue remains open.

## Drought

On September 28<sup>th</sup>, the Governor released a list of water and drought-related bills. Please see below for the full list:

- AB 2142 by Assemblymember Jesse Gabriel (D-Encino) – Income taxes: exclusion: turf replacement water conservation program.
- AB 2895 by Assemblymember Dr. Joaquin Arambula (D-Fresno) – Water: permits and licenses: temporary changes: water or water rights transfers.
- SB 489 by Senator John Laird (D-Santa Cruz) – Flood management projects: state funding: Pajaro River Flood Risk Management Project.
- SB 230 by Senator Anthony Portantino (D-La Cañada Flintridge) – State Water Resources Control Board: Constituents of Emerging Concern in Drinking Water Program.
- SB 891 by Senator Robert Hertzberg (D-Van Nuys) – Business licenses: stormwater discharge compliance.
- SB 1157 by Senator Robert Hertzberg (D-Van Nuys) – Urban water use objectives. A signing message can be found [here](#).
- SB 1188 by Senator John Laird (D-Santa Cruz) – Safe Drinking Water State Revolving Fund: financial assistance.
- SB 1254 by Senator Robert Hertzberg (D-Van Nuys) – Drinking water: administrator: managerial and other services.
- SB 1372 by Senator Henry Stern (D-Los Angeles) – Sustainable Groundwater Management Act: groundwater sustainability plans: groundwater rights.

The Governor previously signed the following bills:

- AB 2108 by Assemblymember Robert Rivas (D-Salinas) – Water policy: environmental justice: disadvantaged and tribal communities.
- AB 2877 by Assemblymember Eduardo Garcia (D-Coachella) – Safe and Affordable Drinking Water Fund: tribes.
- SB 1205 by Senator Ben Allen (D-Santa Monica) – Water rights: appropriation.

## **CSB Position Bills - Signed/Vetoed**

### **AB 32 (Aguiar-Curry) Telehealth**

The bill was amended on June 20<sup>th</sup> and now expands the definition of synchronous interaction for purposes of telehealth to include audio-video, audio only, such as telephone, and other virtual communication. The bill extends telehealth payment parity to Medi-Cal managed care and allows remote eligibility determinations, enrollment, and recertification for Medi-Cal and specified Medi-Cal programs. It requires the Department of Health Care Services to conduct an evaluation of the benefits of telehealth and makes other policy changes related to telehealth reimbursement and policy for federally qualified health centers, rural health centers, other Medi-Cal enrolled clinics, Drug Medi-Cal and other providers. The bill also allows for telehealth as part of a Medi-Cal managed care alternative access request with respect to time and distance standards and extends the sunset on time and distance standards to January 1, 2026. The bill is aligned with AB 186 – The Public Health Trailer Bill. The County is in support of the bill. **The bill is now chaptered.**

### **AB 361 (Robert, Rivas) Open meetings: state and local agencies: teleconferences**

Would, until January 1, 2024, authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting during a declared state of emergency, as that term is defined, when state or local health officials have imposed or recommended measures to promote social distancing, during a proclaimed state of emergency held for the purpose of determining, by majority vote, whether meeting in person would present imminent risks to the health or safety of attendees, and during a proclaimed state of emergency when the legislative body has determined that meeting in person would present imminent risks to the health or safety of attendees, as provided. **The bill is now chaptered.**

### **AB 538 (Muratsuchi) California Aerospace Commission: establishment.**

The bill would enact the California Aerospace and Aviation Act of 2021 (Act), which establishes the 15-member California Aerospace Commission (Commission) for the purpose of serving as a central point of contact for related industries and supporting the health and competitiveness of these industries in California. The County is in support of the bill. **The bill is now dead.**

### **AB 821 (Cooper) Sexually violent predators: placement outside county of domicile: notice and hearing.**

**The bill is dead.**

### **AB 843 (Aguiar-Curry) California Renewables Portfolio Standard Program: renewable feed-in tariff: Bioenergy Market Adjusting Tariff program: community choice aggregators**

The California Renewables Portfolio Standard Program requires the Public Utilities Commission to establish a renewables portfolio standard requiring all retail sellers, defined as including electrical corporations, community choice aggregators, and electric service providers, to procure a minimum quantity of electricity products from eligible renewable energy resources, as defined, so that the total kilowatthours of those products sold to their retail end-use customers achieves 33% of retail sales by December 31, 2020, 44% by December 31, 2024, 52% by December 31, 2027, and 60% by December 31, 2030. The California Renewables Portfolio Standard Program requires every electrical corporation to file with the commission a standard tariff for electricity generated by an electric generation facility, as defined, that qualifies for the tariff, is owned and operated by a retail customer of the electrical corporation, and is located within the service territory of, and developed to sell electricity to, the electrical corporation. The commission refers to this requirement as the renewable feed-in tariff. This bill would provide that the renewable feed-in tariff would apply to a qualifying electric generation facility that is developed to sell electricity to the electrical corporation or, for a bioenergy electric

generation facility, to an electrical corporation or a community choice aggregator within the electrical corporation's service territory. **The bill is now chaptered.**

**AB 941 (Bennett) Farmworker assistance: resource centers**

The California Community Services Block Grant Program requires the Department of Community Services and Development to administer the federal Community Services Block Grant funds

to provide financial assistance for activities designed to have a measurable and potentially major impact on causes of poverty in a community or areas of a community where poverty is a particularly acute problem. Current law authorizes this funding to assist programs that, among other things, meet the needs of migrant and seasonal farmworkers and their families, such as daycare for children and elderly persons, education, health services, improved housing and sanitation, legal advice and representation, and consumer training and counseling, and assistance in processing applications for legalization and citizenship. This bill, upon appropriation by the Legislature, would require the department to establish a grant program for counties to establish farmworker resource centers that provide farmworkers and their families information and access to services related to, among other things, labor and employment rights, education, housing, immigration, and health and human services. **The bill is now chaptered.**

**AB 1465 (Reyes) Workers Compensation: medical provider networks study**

**The bill is dead.**

**AB 1721 (Rodriguez) Seismic retrofitting: soft story multifamily housing**

**The bill is dead.**

**AB 1737 (Holden) Children's camps: safety**

**The bill is dead**

**AB 1944 (Lee) Local Government: open and public meetings**

**The bill is dead.**

**AB 2120 (Ward) Transportation finance: federal funding: bridges**

**The bill is dead.**

**AB 2234 (Rivas, Robert) Planning and zoning: housing: post-entitlement phase permits**

The Housing Accountability Act, among other things, prohibits a local agency from disapproving, or conditioning approval in a manner that renders infeasible, specified housing development projects, including projects for very low, low, or moderate-income households and projects for emergency shelters, that comply with applicable, objective general plan, zoning, and subdivision standards and criteria in effect at the time the application for the project is deemed complete, unless the local agency makes specified written findings supported by a preponderance of the evidence in the record. The act authorizes a project applicant, a person who would be eligible to apply for residency in the housing development or emergency shelter, or a housing organization to bring a lawsuit to enforce its provisions. This bill would require a local agency to compile a list of information needed to approve or deny a post entitlement-phase permit, as defined, to post an example of a complete, approved application and an example of a complete set of post-entitlement phase permits for at least 5 types of housing development projects, as defined, in the jurisdiction, as specified, and to make those items available to all applicants for these permits no later than January 1, 2024. The bill would define "local agency" for these purposes to mean a city, county, or city and county. **The bill is now chaptered.**

**AB 2449 (Rubio, Blanca) Open meetings: local agencies: teleconferences**

Current law, the Ralph M. Brown Act, requires, with specified exceptions, that all meetings of a legislative body of a local agency, as those terms are defined, be open and public and that all persons be permitted to attend and participate. The act generally requires posting an agenda at least 72 hours before a regular meeting that contains a brief general description of each item of business to be transacted or discussed at the meeting, and prohibits any action or discussion from being undertaken on any item not appearing on the posted agenda. This bill would revise and recast those teleconferencing provisions and, until January 1, 2026, would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements that each teleconference location be identified in the notice and agenda and that each teleconference location be accessible to the public if at least a quorum of the members of the legislative body participates in person from a singular physical location clearly identified on the agenda that is open to the public and situated within the local agency's jurisdiction. **The bill is now chaptered.**

**AB 2493 (Chen) County employees retirement: disallowed compensation: benefit adjustment and calculations.**

**The bill is dead.**

**AB 2538 (Rivas, Robert) State Warning Center: wildfire smoke notification**

**The bill is dead**

**AB 2724 (Arambula D) Medi-Cal: alternate health care service plan**

Current law establishes the Medi-Cal program, which is administered by the State Department of Health Care Services and under which qualified low-income individuals receive health care services through various delivery systems, including managed care pursuant to Medi-Cal managed care plan contracts. The Medi-Cal program is, in part, governed and funded by federal Medicaid program provisions. This bill would authorize the department to enter into one or more comprehensive risk contracts with an alternate health care service plan (AHCSPP), as defined, to serve as a primary Medi-Cal managed care plan for certain eligible beneficiaries in geographic regions designated by the department, as specified. The bill would authorize the department to contract with an AHCSPP as a Medi-Cal managed care plan in any geographic region of the state for which federal approval is available, for which the AHCSPP maintains appropriate licensure or an approved exemption from the Department of Managed Health Care, and in which the AHCSPP already provides commercial coverage in the individual, small group, or large group market.

**The bill is now chaptered.**

**SB 9 (Atkins) Housing development: approvals.**

The Planning and Zoning Law provides for the creation of accessory dwelling units by local ordinance, or, if a local agency has not adopted an ordinance, by ministerial approval, in accordance with specified standards and conditions. This bill, among other things, would require a proposed housing development containing no more than 2 residential units within a single-family residential zone to be considered ministerially, without discretionary review or hearing, if the proposed housing development meets certain requirements, including, but not limited to, that the proposed housing development would not require demolition or alteration of housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income, that the proposed housing development does not allow for the demolition of more than 25% of the existing exterior structural walls, except as provided, and that the development is not located within a historic district, is not included on the State Historic Resources Inventory, or is not within a site that is legally designated or listed as a city or county landmark or historic property or district. **The bill is chaptered**



**SB 47 (Limon) Oil and gas: hazardous and idle-deserted wells and production facilities: expenditure limitations: updated reports**

Current law prohibits the Geologic Energy Management Division from expending more than \$3,000,000 in any one fiscal year, for the 2018–19 fiscal year to the 2021–22 fiscal year, inclusive, and, commencing with the 2022–23 fiscal year, no more than \$1,000,000 in any one fiscal year for those purposes related to hazardous wells, idle-deserted wells, hazardous facilities, and deserted facilities. Current law provides that these moneys be used exclusively for plugging and abandoning hazardous or idle-deserted wells and decommissioning hazardous or deserted facilities. Current law requires the Department of Conservation, on April 1, 2021, to report information to the Legislature on hazardous wells, idle-deserted wells, deserted facilities, and hazardous facilities, as provided, and to provide an update on the report to the Legislature on October 1, 2023. This bill, commencing with the 2022–23 fiscal year, and continuing thereafter, would provide that the spending cap applies to expenditures from the Oil, Gas, and Geothermal Administrative Fund and would raise the cap on spending for these purposes from \$1,000,000 to \$5,000,000 in any one fiscal year. **The bill is now chaptered.**

**SB 74 (Borgeas) Keep CA Working**

**The bill is dead**

**SB 154 (Skinner) Budget Act of 2022**

Would make appropriations for the support of state government for the 2022–23 fiscal year. **This bill is now chaptered.**

**SB 335 (Cortese) Workers Compensation: liability**

**The bill is dead**

**SB 443 (Hertzberg) Emergency medical services (EMS): prehospital EMS**

**The bill is dead.**

**SB 493 (Bradford) Local Government financing: juvenile justice**

**The bill is dead.**

**SB 612 (Portantino) School Safety plans**

**The bill is dead**

**SB 735 (Rubio) Vehicles: speed photoimaging enforcement devices**

**The bill is dead**

**SB 743 (Bradford) Housing developments: broadband adoption: grant program**

**The bill is dead.**

**SB 765 (Stern) Accessory dwelling units: setbacks**

**The bill is dead.**

**SB 867 (Laird) Sea Level rise: planning and adaptation**

Current law creates within the Ocean Protection Council the California Sea Level Rise State and Regional Support Collaborative to provide state and regional information to the public and support to local, regional, and other state agencies for the identification, assessment, planning, and, where

feasible, the mitigation of the adverse environmental, social, and economic effects of sea level rise within the coastal zone, as provided. This bill would require a local government, as defined, lying, in whole or in part, within the coastal zone, as defined, or within the jurisdiction of the San Francisco Bay Conservation and Development Commission, as defined, to implement sea level rise planning and adaptation through either submitting, and receiving approval for, a local coastal program, as defined, to the California Coastal Commission or submitting, and receiving approval for, a subregional San Francisco Bay shoreline resiliency plan to the San Francisco Bay Conservation and Development Commission, as applicable, on or before January 1, 2033. By imposing additional requirements on local governments, the bill would impose a state-mandated local program. **This bill was vetoed by the Governor**

***SB 928 (Wieckowski) Public administrators: compensation***

Current law regulates the administration of estates of decedents and permits the public administrator, an officer of a county, to be appointed to administer these estates under certain circumstances. Existing law grants public administrators a variety of powers in this regard, including the right to take control of a decedent's property and summarily dispose of property, as specified. Current law establishes the compensation payable to the public administrator and the attorney, if any, for the public administrator for the filing of an application to summarily dispose of a decedent's estate that does not exceed a specified total value and for the performance of any duty or service connected with that filing. Current law entitles the public administrator to a minimum compensation of \$1,000. This bill would increase the minimum compensation to \$3,000. **This bill is now chaptered.**

***SB 932 (Portantino) General plans: circulation element: bicycle and pedestrian plans and traffic calming plans***

Current law states the Legislature's intention that a county or city general plan and the elements and parts of that general plan comprise an integrated, internally consistent and compatible statement of policies for the adopting agency. This bill would emphasize the intent of the Legislature to support and encourage communities in reaching environmental and climate change objectives with these provisions. **This bill is now chaptered.**

***SB 972 (Gonzalez) California Retail Food Code***

Current law authorizes the local enforcement agency to decrease the limit on the number of individual meals prepared based on the food preparation capacity of the operation. This bill would authorize a cottage food operation or microenterprise home kitchen operation to serve as a commissary or mobile support unit for up to 2 compact mobile food operations if the cottage food operation or microenterprise home kitchen operation permit includes an endorsement from the local enforcement agency that the cottage food operation or microenterprise home kitchen operation is capable of supporting the preparation and storage of the food being sold from the compact mobile food operation and the storage and cleaning of the compact mobile food operation. The bill would authorize non potentially hazardous foods prepared in a cottage food operation to be served from a compact mobile food operation. The bill would define "compact mobile food operation" as a mobile food facility that operates from an individual or from a pushcart, stand, display, pedal-driven cart, wagon, showcase, rack, or other nonmotorized conveyance. The bill would require compact food operations to conduct only limited food preparation. **This bill is now chaptered.**

***SB 1030 (Limon) Pipeline safety: records***

**SB 1030 is dead however, the bills contents were amended into AB 2931 (Bloom), which is now chaptered.**

**SB 1282 (Bates) Opioid Master Settlement Agreement**

**The bill is dead.**

**SB 1338 (Umberg) Community Assistance, Recovery, and Empowerment (CARE) Court Program**

The bill would require the Counties of Glenn, Orange, Riverside, San Diego, Stanislaus, and Tuolumne and the City and County of San Francisco to implement the program commencing October 1, 2023, and the remaining counties to commence no later than December 1, 2024. The bill would require the Judicial Council to develop a mandatory form for use in filing a CARE process petition and would specify the process by which the petition is filed and reviewed, including requiring the petition to be signed under penalty of perjury, and to contain specified information, including the facts that support the petitioner's assertion that the respondent meets the CARE criteria. **The bill is now chaptered.**

**CSB "Hot Bills"**

**AB 503 (Stone) Wards: probation**

Current law subjects a minor between 12 and 17 years of age, inclusive, who violates any federal, state, or local law or ordinance, who persistently or habitually refuses to obey the reasonable and proper orders or directions of the minor's parents, guardian, or custodian, or who is beyond the control of that person, who violates an ordinance establishing a curfew or is truant, and a minor under 12 years of age who is alleged to have committed specified serious offenses, to the jurisdiction of the juvenile court, which may adjudge the minor to be a ward of the court. When a minor is adjudged to be a ward of the court, as previously described, and is placed under the supervision of the probation officer or committed to the care, custody, and control of the probation officer, current law authorizes the court to make any and all reasonable orders for the conduct of the ward, and to impose and require any and all reasonable conditions that it may determine fitting and proper to the end that justice may be done and the reformation and rehabilitation of the ward enhanced. This bill would limit to 6 months the period of time a ward may remain on probation, except that a court may extend the probation period for a period not to exceed increments of 6 months after a noticed hearing and upon proof by a preponderance of the evidence that it is in the ward's best interest. **The bill was vetoed by the Governor.**

**AB 602 (Grayson) Development fees: impact fee nexus study**

Current law requires a city, county, or special district that has an internet website to make available on its internet website certain information, as applicable, including its current schedule of fees and exactions. This bill, among other things, would require, on and after January 1, 2022, a local agency that conducts an impact fee nexus study to follow specific standards and practices, including, but not limited to, (1) that prior to the adoption of an associated development fee, an impact fee nexus study be adopted, (2) that the study identify the existing level of service for each public facility, identify the proposed new level of service, and include an explanation of why the new level of service is necessary, and (3) if the study is adopted after July 1, 2022, either calculate a fee levied or imposed on a housing development project proportionately to the square footage of the proposed units, or make specified findings explaining why square footage is not an appropriate metric to calculate the fees. **The bill is now chaptered.**

**AB 624 (Bauer-Kahan) Juveniles: transfer to court of criminal jurisdiction: appeals**

Current law subjects a minor between 12 and 17 years of age, inclusive, who violates any federal, state, or local law or ordinance to, and a minor under 12 years of age who is alleged to have committed specified serious offenses to the jurisdiction of the juvenile court, which may adjudge the minor to be a ward of the court. Current law authorizes the district attorney to make a motion to transfer a minor from juvenile court to a court of criminal jurisdiction in a case in which a minor is alleged to have committed a felony when the minor was 16 years of age or older, or in a case in which a specified serious offense is alleged to have been committed by a minor when the minor was 14 or 15 years of age, but the minor was not apprehended prior to the end of juvenile court jurisdiction. This bill would make an order transferring a minor from a juvenile court to a court of criminal jurisdiction subject to appeal. This bill would require an order transferring a minor from the juvenile court to a court of criminal jurisdiction to be subject to immediate appellate review if a notice of appeal is filed within 30 days of the order transferring the minor. **The bill is now chaptered.**

**AB 716 (Bennett) Court access**

The California Constitution vests the judicial power of the state in the Supreme Court, courts of appeal, and superior courts. Current law requires the sittings of every court to be public, except as authorized. This bill would prohibit a court from excluding the public from physical access to the court because remote access is available, unless it is necessary to restrict or limit physical access to protect the health or safety of the public or court personnel. The bill would require the court to provide, at a minimum, a public audio stream or telephonic means by which to listen to the proceedings when the courthouse is physically closed, except when the law authorizes or requires the proceedings to be closed. **The bill is now chaptered.**

**AB 731 (Bauer-Kahan) County jails: recidivism: reports**

Would require the sheriff in each county to compile and submit specified data to the Board of State and Community Corrections on their educational opportunities, rehabilitative opportunities, exercise opportunities, the number of participants and the cost of administering those programs, and success rates in reducing recidivism, as defined. The bill would require the board to compile a report based upon those findings and submit the report to the Legislature by a specified date. **The bill was vetoed by the Governor.**

**AB 816 (Chiu) Homelessness: Housing Trust Fund: housing projects**

Current federal law requires the Secretary of the United States Department of Housing and Urban Development to establish a Housing Trust Fund to provide grants to states to increase the supply of rental housing for extremely low and very low-income families, including homeless families, and home ownership for extremely low and very low-income families. Current law requires the department to collaborate with the California Housing Finance Agency to develop an allocation plan to demonstrate how the funds will be distributed, based on the priority housing needs identified in the state's consolidated plan, and to convene a stakeholder process to inform the development of the plan. Current law requires the allocation plan and program guidelines to prioritize projects based on enumerated factors such as the extent to which project rents are affordable. The department is required to submit this plan to the Assembly Committee on Housing and Community Development and the Senate Transportation and Housing Committees 30 days after receipt of the federal funds. This bill would require the department to prioritize funding for projects that serve people experiencing homelessness, to the extent that a sufficient number of projects exist. **The bill is now chaptered.**

**AB 819 (Levine) California Environmental Quality Act: notices and documents: electronic filing and posting**

CEQA requires, if an environmental impact report is required, the lead agency to mail a notice of determination to each responsible agency, the Office of Planning and Research, and public agencies with jurisdiction over natural resources affected by the project. CEQA requires the lead agency to provide notice to the public and to organizations and individuals who have requested notices that the lead agency is preparing an environmental impact report, negative declaration, or specified determination. CEQA requires notices for an environmental impact report to be posted in the office of the county clerk of each county in which the project is located. This bill would instead require the lead agency to mail or email those notices, and to post them on the lead agency's internet website. The bill would also require notices of an environmental impact report to be posted on the internet website of the county clerk of each county in which the project is located. **The bill is now chaptered.**

**AB 826 (Irwin) County Employees Retirement Law of 1937: compensation and compensation earnable**

The County Employees Retirement Law of 1937 (CERL) authorizes counties to establish retirement systems pursuant to its provisions for the purpose of providing pension, disability, and other benefits to county and district employees. CERL defines compensation earnable for purposes of its provisions, with particular application to the calculation of final compensation and the determination of pension amounts and other benefits. The Public Employees' Pension Reform Act of 2013 prescribes various limitations on public employees, employers, and retirement systems concerning, among other things, the types of remuneration that may be included in compensation that is applied to pensions. This bill, which would apply only in **Ventura County**, would provide that compensation and compensation earnable include flexible benefits plan allowances paid by a county or a district on behalf of its employees as part of a cafeteria plan, as specified, if certain conditions are met. Among these conditions, the bill would require that the retirement system included the flexible benefit plan allowance as part of compensation earnable as of July 30, 2020, that the employer and employee paid contributions to the retirement system based on the flexible benefit plan allowance, and that the employer and employee continue to pay those contributions as the employee earns this allowance. The bill would apply these provisions to eligible members who retire on or before December 31, 2025. **The bill was vetoed by the Governor.**

**AB 896 (Bennett) Oil and gas wells and facilities: liens: collections unit**

Current law establishes the Geologic Energy Management Division in the Department of Conservation, under the direction of the State Oil and Gas Supervisor. Current law authorizes the supervisor or district deputy to order the plugging and abandonment of a well or the decommissioning of a production facility that has been deserted whether or not any damage is occurring or threatened by reason of that deserted well or production facility. This bill would authorize the division, before performing work ordered by the supervisor or district deputy, to impose a lien against the real or personal property of the operator in an amount equal to an estimate of the cost of the work based on a bid from a contractor or previous costs to perform comparable work. The bill would require the division's accounting of actual or estimated costs to perform work ordered to be served upon the operator by personal service or certified mail. The bill would require the supervisor, on or before July 1, 2022, to establish a collections unit within the division to be responsible for identifying persons responsible for specified charges, locating assets belonging to those persons, and fully implementing all of the division's authorities for collecting the amounts owed. **The bill is now chaptered.**

**AB 988 (Bauer-Kahan) Mental health: 988 Suicide and Crisis Lifeline**

Would enact the Miles Hall Lifeline and Suicide Prevention Act. The bill would require the Office of Emergency Services to verify, no later than July 16, 2022, that technology that allows for transfers between 988 centers as well as between 988 centers and 911 public safety answering points, is available to 988 centers and 911 public safety answering points throughout the state. The bill would require, no later than 90 days after passage of the act, the office to appoint a 988 system director, among other things. The bill would require, no later than July 1, 2024, the office to verify interoperability between and across 911 and 988. The bill would require the office to consult with specified entities on any technology requirements for 988 centers. **The bill now chaptered.**

**AB 1138 (Rubio, Blanca) Unlawful cannabis activity: civil enforcement**

Would impose a civil penalty on persons aiding and abetting unlicensed commercial cannabis activity of up to 3 times the amount of the license fee for each violation, but in no case more than \$30,000 for each violation. The bill would prohibit filing an action for civil penalties brought against a person pursuant to MAUCRSA 3 years after the first date of discovery of the violation. **The bill is now chaptered.**

**AB 1297 (Holden) California Infrastructure and Economic Development Bank: public and economic development facilities: housing**

The Bergeson-Peace Infrastructure and Economic Development Bank Act defines "public development facilities" for these purposes to mean real and personal property, structures, conveyances, equipment, thoroughfares, buildings, and supporting components thereof, excluding any housing, that are directly related to providing, among other things, housing-related infrastructure, as specified. The act defines "economic development facilities" for these purposes to mean real and personal property, structures, buildings, equipment, and supporting components thereof that are used to provide industrial, recreational, research, commercial, utility, goods movement, or service enterprise facilities, community, educational, cultural, or social welfare facilities and any parts or combinations thereof, and all necessary facilities or infrastructure, excluding any housing. This bill would authorize economic development facilities and public development facilities to include housing if the housing meets certain financing requirements and limits, as specified. **The bill is now chaptered.**

**AB 1789 (Bennett) Outdoor recreation: California Recreational Trails System Plan**

This bill would require the plan to include recommended priorities for funding to improve and expand, among other things, nonmotorized natural surface trails, as provided. The bill would require the director, among other things, on or before January 1, 2024, to prepare and provide to the Legislature a full update of the plan. The bill would instead require the director to submit a report every 3 years following an update to the plan to the Legislature describing the progress in carrying out the plan, as provided. The bill would make other changes regarding the plan and the updates to the plan. This bill contains other related provisions and other existing laws. **This bill is now chaptered.**

**AB 1932 (Daly) Public contracts: construction manager at-risk construction contracts**

Current law authorizes, until January 1, 2023, a county, with approval of the board of supervisors, or a public entity, of which the members of the county board of supervisors make up the members of the governing body of that public entity, with the approval of its governing body, to utilize construction manager at-risk construction contracts for the erection, construction, alteration, repair, or improvement of any infrastructure, owned or leased by the county, subject to certain requirements,

including that the method may only be used for projects that are in excess of \$1,000,000. This bill would extend those provisions until January 1, 2029 and would also make a nonsubstantive change.

*Notes: CSAC - Sponsor (Chris Lee)*

*Construction Manager at Risk (CMAR) Contracts: AB 1932 would delete the January 1, 2023, sunset date on current state law authorizing counties to utilize the Construction Manager At-Risk method for specified public works projects. CSAC is sponsoring AB 1932 and encourages counties to support this measure. **This bill is now chaptered.***

**AB 2011 (Wicks) Affordable Housing and High Road Jobs Act of 2022**

Would create the Affordable Housing and High Road Jobs Act of 2022, which would authorize a development proponent to submit an application for a housing development that meets specified objective standards and affordability and site criteria, including being located within a zone where office, retail, or parking are a principally permitted use, and would make the development a use by right and subject to one of 2 streamlined, ministerial review processes. The bill would require a development proponent for a housing development project approved pursuant to the streamlined, ministerial review process to require, in contracts with construction contractors, that certain wage and labor standards will be met, including a requirement that all construction workers be paid at least the general prevailing rate of wages, as specified. The bill would require a development proponent to certify to the local government that those standards will be met in project construction. By expanding the crime of perjury, the bill would impose a state-mandated local program. **The bill is now chaptered.**

**AB 2101 (Flora) California Carbon Sequestration and Climate Resiliency Project Registry: whole orchard recycling projects**

Current law requires the Natural Resources Agency, no later than July 1, 2023, to establish and maintain the California Carbon Sequestration and Climate Resiliency Project Registry for the purpose of identifying and listing projects in the state that drive climate action on the state's natural and working lands and are seeking funding from state agencies or private entities. Current law provides that carbon sequestration projects listed on the registry may include natural and working lands-based carbon sequestration projects and direct air capture projects. Current law authorizes the agency, in collaboration with relevant state agencies and in consultation with diverse stakeholders, to create an application process for applicants to have their projects located in the state listed on the registry, as provided. This bill would expand the list of projects that may be included on the registry to include whole orchard recycling projects. **The bill is now chaptered.**

**AB 2647 (Levine) Local government: open meetings**

Current law, the California Public Records Act, requires state agencies and local agencies to make public records available for inspection, subject to specified criteria, and with specified exceptions. Current law, the Ralph M. Brown Act, requires the meetings of the legislative body of a local agency to be conducted openly and publicly, with specified exceptions. Current law makes agendas of public meetings and other writings distributed to the members of the governing board disclosable public records, with certain exceptions. This bill would instead require a local agency to make those writings distributed to the members of the governing board available for public inspection at a public office or location that the agency designates and list the address of the office or location on the agenda for all meetings of the legislative body of the agency unless the local agency meets certain requirements, including the local agency immediately posts the writings on the local agency's internet website in a position and manner that makes it clear that the writing relates to an agenda item for an upcoming meeting. **The bill is now chaptered.**

**SB 1 (Atkins) Coastal resources: sea level rise**

The California Coastal Act of 1976 establishes the California Coastal Commission and provides for planning and regulation of development in the coastal zone, as defined. The act requires the commission, within 90 days after January 1, 1977, to adopt, after public hearing, procedures for the preparation, submission, approval, appeal, certification, and amendment of a local coastal program, including a common methodology for the preparation of, and the determination of the scope of, the local coastal programs, as provided. This bill would also include, as part of the procedures the commission is required to adopt, recommendations and guidelines for the identification, assessment, minimization, and mitigation of sea level rise within each local coastal program, as provided. The bill would delete the timeframe specified above by which the commission is required to adopt these procedures. **The bill now chaptered.**

**SB 2 (Bradford) Peace officers: certification: civil rights**

Under current law, the Tom Bane Civil Rights Act, if a person or persons, whether or not acting under color of law, interferes or attempts to interfere, by threats, intimidation, or coercion, with the exercise or enjoyment by any individual or individuals of rights secured by the Constitution or laws of the United States, or of the rights secured by the Constitution or laws of this state, the Attorney General, or any district attorney or city attorney, is authorized to bring a civil action for injunctive and other appropriate equitable relief in the name of the people of the State of California, in order to protect the exercise or enjoyment of the right or rights secured. Current law also authorizes an action brought by the Attorney General, or any district attorney or city attorney, to seek a civil penalty of \$25,000. Current law also allows an individual whose exercise or enjoyment of rights has been interfered with to prosecute a civil action for damages on their own behalf. This bill would eliminate certain immunity provisions for peace officers and custodial officers, or public entities employing peace officers or custodial officers sued under the act. **This bill is now chaptered.**

**SB 6 (Caballero) Local planning: housing: commercial zones**

The Planning and Zoning Law requires each county and city to adopt a comprehensive, long-term general plan for its physical development, and the development of certain lands outside its boundaries, that includes, among other mandatory elements, a housing element. Current law requires that the housing element include, among other things, an inventory of land suitable and available for residential development. If the inventory of sites does not identify adequate sites to accommodate the need for groups of all households pursuant to specified law, existing law requires the local government to rezone sites within specified time periods and that this rezoning accommodate 100% of the need for housing for very low and low-income households on sites that will be zoned to permit owner-occupied and rental multifamily residential use by right for specified developments. This bill, the Middle Class Housing Act of 2022, would deem a housing development project, as defined, an allowable use on a parcel that is within a zone where office, retail, or parking are a principally permitted use, if specified conditions are met, including requirements relating to density, public notice, comment, hearing, or other procedures, site location and size, consistency with sustainable community strategy or alternative plans, prevailing wage, and a skilled and trained workforce. **This bill is now chaptered.**

**SB 8 (Skinner) Housing Crisis Act 2019**

Would clarify, for various purposes of the Housing Crisis Act of 2019, that "housing development project" includes projects that involve no discretionary approvals, projects that involve both discretionary and nondiscretionary approvals, and projects that include a proposal to construct a



single dwelling unit. The bill would specify that this clarification is declaratory of existing law, except that the clarification does not affect a project for which an application was submitted to the city, county, or city and county before January 1, 2022. **The bill is now chaptered.**

**SB 16 (Skinner) Peace officers: release of records**

Current law makes peace officer and custodial officer personnel records and specified records maintained by any state or local agency, or information obtained from these records, confidential and prohibits these records from being disclosed in any criminal or civil proceeding except by discovery. Current law sets forth exceptions to this policy, including, among others, records relating to specified incidents involving the discharge of a firearm, sexual assault, perjury, or misconduct by a peace officer or custodial officer. Existing law makes a record related to an incident involving the use of force against a person resulting in death or great bodily injury subject to disclosure. Current law requires a state or local agency to make these excepted records available for inspection pursuant to the California Public Records Act, subject to redaction as specified. This bill would make a sustained finding involving force that is unreasonable or excessive, and any sustained finding that an officer failed to intervene against another officer using unreasonable or excessive force, subject to disclosure. *Notes:* CSAC - release of records, public records regarding police misconduct, agencies don't respond in 45 days, 1K penalty, huge issue for some counties. Burden on counties. **The bill is now chaptered.**

**SB 28 (Caballero) Digital Infrastructure and Video Competition Act of 2006: deployment data**

The Digital Infrastructure and Video Competition Act of 2006, establishes a procedure for the issuance of state franchises for the provision of video service, defined to include cable service and open-video systems, administered by the Public Utilities Commission. The act provides that the holder of a state franchise is not a public utility as a result of providing video service and does not provide the commission with authority to regulate the rates, terms, and conditions of video service except as explicitly set forth in the act. The act requires a franchise holder to annually report to the commission regarding the availability of and subscriptions to broadband and video service, as specified. This bill would repeal the requirement that franchise holders annually report regarding the availability of and subscriptions to broadband and video service.

*Notes:* CSAC - statewide franchise, allow the state to analyze whether digital video is abiding by the franchise, then state can takeaway franchise and give back to local. **This bill is now chaptered.**

**SB 861 (Limón) Dementia Care Navigator Grant Pilot Program**

Would establish the Dementia Care Navigator Grant Pilot Program, to be administered by the California Department of Aging, in partnership with organizations with expertise using community health workers, promotores, and health navigators. The bill would provide that the purpose of the pilot program is to incentivize organizations that provide services to local communities to provide dementia care navigation training services, as defined. The bill would authorize organizations with expertise using community health workers, promotores, and health navigators to apply for a grant. The bill would require the department to award grants on a competitive basis. The bill would require an organization that receives a grant pursuant to these provisions to provide to the department an annual report on the services provided on or before December 31 of the year the grant is received, as specified. The bill would make those provisions inoperative on July 1, 2027. **This bill was vetoed by the Governor.**

**SB 1100 (Cortese) Open meetings: orderly conduct**

The bill would authorize the presiding member or their designee to then remove the individual if the individual does not promptly cease their disruptive behavior. The bill would define “disrupting” for this purpose. Brown Act Issue. **This bill is now chaptered.**

**SB 1137 (Gonzalez) Oil and gas: operations: location restrictions: notice of intention: health protection zone: sensitive receptors**

Current law establishes the Geologic Energy Management Division in the Department of Conservation, under the direction of the State Oil and Gas Supervisor, who is required to supervise the drilling, operation, maintenance, and abandonment of oil and gas wells in the state and the operation, maintenance, and removal or abandonment of tanks and facilities related to oil and gas production within an oil and gas field, so as to prevent damage to life, health, property, and natural resources. Current law requires the operator of a well to file a written notice of intention to commence drilling with, and prohibits any drilling until approval is given by, the supervisor or district deputy. Current law authorizes the supervisor to require other pertinent information to supplement the notice. Current law requires the owner of any well to file with the supervisor a monthly statement that provides certain information relating to the well, as provided. Current law requires an operator proposing to perform a well stimulation treatment to apply to the supervisor or district deputy for a permit to perform the well stimulation treatment and imposes other requirements and conditions on the use of well stimulation treatments. Under current law, a person who fails to comply with this and other requirements relating to the regulation of oil or gas operations is guilty of a misdemeanor. This bill would prohibit, commencing January 1, 2023, the division from approving any notice of intention within a health protection zone, as defined, except for reasons related to preventing or responding to a threat to public health, safety, or the environment, complying with a court order, or to plug and abandon or reabandon a well, as provided. **The bill is now chaptered.**

**SB 1295 (Limon) Oil and gas: hazardous or deserted wells and facilities: labor standards: expenditure limits: reports**

This bill would instead prohibit the division from expending, commencing with the 2022–23 fiscal year, more than \$5,000,000, and, in addition, (1) the amount actually expended by the division in the preceding fiscal year, not to exceed \$7,500,000, from the dedicated General Fund appropriation for the 2022–23 fiscal year for the purposes of plugging and abandoning wells, decommissioning facilities, and site remediation, and (2) the amount actually expended by the division in the preceding fiscal year, not to exceed \$7,500,000, from the dedicated General Fund appropriation for the 2023–24 fiscal year, only if there is a dedicated General Fund appropriation for the 2023–24 fiscal year for the purposes of plugging and abandoning wells, decommissioning facilities, and site remediation. The bill would also require the Controller, commencing with the 2023–24 fiscal year, in any fiscal year that the division makes expenditures that are less than the amount appropriated, to transfer from the Oil, Gas, and Geothermal Administrative Fund to the Oil and Gas Environmental Remediation Account an amount equal to the difference between what was appropriated and what was expended by the division for that fiscal year, unless there is more than \$200,000,000 in the account. The bill would also provide that the expenditure limits in these provisions do not apply to funds received by the Oil, Gas, and Geothermal Administrative Fund pursuant to a federal grant authorized under the federal Infrastructure Investment and Jobs Act. This bill contains other related provisions and other existing laws. **This bill is now chaptered**

### **Legislative & Election Dates:**

September 30<sup>th</sup> - Last day for Governor to sign or veto bills

November 8<sup>th</sup> - General Election

December 5<sup>th</sup> - Legislators sworn in

January 4, 2023 – Legislative Session begins for 2023-24

### **Conclusion**

The California Legislature concluded the 21-22 Legislative Session August 31st. The two-year legislative session ended with its adjournment at midnight sending over 900 bills to the Governor who had until September 30<sup>th</sup> to act on legislation. The County had a very successful year engaging in a record number of bills and issues impacting the County and helped shape legislation and budget items. However, many of the issues confronting the County and State are complex and not solvable by the stroke of a pen. Climate change, drought, energy shortages, affordable housing and homelessness to mention just a few have been addressed in dozens of bills and programs but remain substantial challenges.

The Legislature will return December 5<sup>th</sup> to organize and to consider the Governor's call for a windfall profits tax on the oil industry in a special session of the Legislature. As a result of term limits, reapportionment and COVID burnout, there will be upwards of 35 new members among the 100 Members sworn in on December 5th. Concerns are emerging regarding the economy and state budget. The latest Department of Finance bulletin shows revenues down nearly \$9 billion below estimates in the current fiscal year. The Administration is preparing the 23-24 budget for submission in January. The fall is an important time for the County to establish priorities for next year in Sacramento. The Governor has announced the end of his COVID Executive order effective February 28, 2023.