



**Government Finance & Administration Policy
Committee**
CSAC 122nd Annual Meeting
Thursday, December 1, 2016 — 9:00 a.m. – 11:00 a.m.
Smoketree Room A-E
Riverside County, California

Supervisor Henry Perea, Fresno County, Chair
Supervisor Erin Hannigan, Solano County, Vice Chair

- 9:00 a.m. I. **Welcome and Introductions**
Supervisor Erin Hannigan, Solano County, Vice Chair
- 9:05 a.m. II. **Policy Platform Updates – ACTION ITEM**
Betsy Hammer, Legislative Analyst, CSAC
- 9:20 a.m. III. **State Budget Update and Fiscal Forecast**
Carolyn Chu, Senior Fiscal & Policy Analyst, Legislative Analyst's Office
- 9:40 a.m. IV. **2016 Year In Review and 2017 Priorities**
Faith Conley, Legislative Representative, CSAC
Dorothy Johnson Holzem, Legislative Representative, CSAC
- 9:55 a.m. V. **2017 Sponsored Bill Proposals – ACTION ITEM**
Dorothy Johnson Holzem, Legislative Representative, CSAC
- 10:15 a.m. VI. **Marijuana and the Workplace**
Mark Meyerhoff, Liebert Cassidy Whitmore
- 10:45 a.m. VII. **2016 Legislative Session Key Outcomes**
Faith Conley, Legislative Representative, CSAC
Dorothy Johnson Holzem, Legislative Representative, CSAC
- 10:55 a.m. VIII. **Closing Comments and Adjournment**
Supervisor Erin Hannigan, Solano County, Vice Chair

ATTACHMENTS

California County Platform Updates

Attachment One	Memo on California County Platform Updates
Attachment Two	Chapter 1 – General Provisions
Attachment Three	Chapter 5 – Government Operations
Attachment Four	Chapter 8 – Public Employment and Retirement
Attachment Five	Chapter 9 – Financing County Services
Attachment Six.....	Chapter 12 – State Mandate Legislation
Attachment Seven.....	Chapter 13 – Economic Development

2016 Year in Review and 2017 Priorities

Attachment Eight.....	Memo on 2016 Year in Review and 2017 Priorities
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2017 Sponsored Bill Proposals

Attachment Nine	Memo on Sponsored Bill Proposals
Attachment Ten.....	Simplified Sample Ballot Measure Language for Transportation Tax Proposals
Attachment Eleven.....	PUC Section Language
Attachment Twelve	Parcel Tax Notification Law Technical Corrections
Attachment Thirteen.....	AB 2476 as Chaptered

2016 Legislative Session Key Outcomes

Attachment Fourteen	Memo on 2016 Legislative Session Key Outcomes
Attachment Fifteen.....	Employee Relations and Administrative Services Legislative Bulletin
Attachment Sixteen.....	Finance and Operations Legislative Bulletin

California County Platform Updates
Attachment One
Memo on California County Platform Updates



November 16, 2016

To: CSAC Government Finance and Administration Policy Committee

From: Faith Conley, Legislative Representative
Dorothy Johnson Holzem, Legislative Representative
Betsy Hammer, Legislative Analyst

Re: **California County Platform Updates – ACTION ITEM**

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Recommendation. Staff recommends that the Government Finance and Administration Policy Committee approve the recommended changes to the CSAC policy platform as drafted and forward to the CSAC Board of Directors.

Background. The California County Platform is a statement of basic policies on issues of concern and interest to California’s counties. CSAC’s policy committees and Board of Directors review the platform regularly, amending and updating when necessary. In addition, the CSAC policy committees recommend updates to their relevant platform chapters every two years, with action taken by the respective committee and Board of Directors.

As part of the bi-annual process, in late October the committee was provided with recommended edits and was invited to provide additional comments and suggestions. This memo provides a summary of proposed changes and the attachments reflect the suggested markups to the platform chapters themselves.

Chapter 1 – General Provisions

These changes are non-substantive and reflect largely formatting updates.

Chapter 5 – Government Operations

Introductory Paragraph: Summarizes existing policy previously listed under “General Principles” Section.

Section 1: Scope of Services: Minor rewording.

Section 1: Uniformity in Services: Minor rewording.

Section 2: Electronic Data Processing: Minor rewording and formatting change.

Section 3: Local Government Organization: Minor rewording.

Section 5: Administration of Elections – Reimbursement for Special and Vacancy Election Costs: Rewording of existing policy to emphasize support for reforms to the special elections process absent a reimbursement of costs.

Section 5: Administration of Elections – All Mail Ballot Elections: Addition to emphasize that All Mail Ballot elections help reduce costs, especially when allowed to serve in place of, not in addition to, in person voting. This is consistent with positions previously taken on legislation and budget issues.

Section 6: Broadband: The CSAC board of Directors adopted the current language earlier this year to be added to the platform after a robust review and discussion by GFA Committee members.

Chapter 8 – Public Employment and Retirement

The vast majority of changes in this section are updates for formatting and language clarity.

Section 2: Public Retirement: Incorporates language that had been in an appendix. The “CSAC Guiding Principles for Pension Reform” were previously an appendix to the official policy platform. For ease of reading and understanding of all CSAC policy related to pensions and retirement, staff recommend incorporating all the principles into the platform and removing the appendix. The language is not new, but is simply shifted into the appropriate platform section.

Chapter 9 – Financing County Services

Section 1: State Policy Objectives – Program Realignment: Technical change in wording to reflect formatting update.

Section 1: State Policy Objectives – Financial Independence: Minor rewording and formatting change to give section headers to policy issues.

Section 1: State Policy Objectives – Existing Revenue Sources: Minor rewording and formatting change to give section headers to policy issues.

Section 2: Federal Policy Objectives: Addition of introductory paragraph to frame policy area and clarifying word added to “Taxation of Remote Sales”.

Chapter 12 – State Mandate Legislation

Rewording and formatting changes to give section headers.

Chapter 13 – Economic Development Policy Committee

Language related to the Economic Development Policy Committee was deleted because this Committee has not met for six years and the relevant policy statements have been incorporated already into the pertinent chapters. Deleting this chapter will bring the policy platform document into current standing.

Section 1: Economic Development Program Retention: Minor non-substantive wording changes.

Section 3: Military Base Retention and Reuse: Minor wording change and deletion of statistic that may change between policy platform revisions. Specifically, the dollar amount of the Department of Defense contribution to California’s economy was removed so that this section is always current.

Action Requested. Staff requests approval from the committee to advance the proposed changes to the CSAC Board of Directors.

Attachments. Marked up copies of the following platform chapters to illustrate the proposed changes:

Chapter 1 – General Provisions

Chapter 5 – Government Operations

Chapter 8 – Public Employment and Retirement

Chapter 9 – Financing County Services

Chapter 12 – State Mandate Legislation

Chapter 13 – Economic Development Policy Committee

Contacts. Please contact Faith Conley (fconley@counties.org or 916/650-8117), Dorothy Johnson Holzem (dholzem@counties.org or 916/650-8133), or Betsy Hammer (bhammer@counties.org or 916/650-8108) for additional information.

California County Platform Updates
Attachment Two
Chapter 1 – General Provisions

Chapter One

General Provisions

Preamble

The strength and creativity of America's government institutions reflects the ability of a free people to create, control, and use their freedom for the purpose of self-government. The bedrock foundation of that strength and creativity is responsible and responsive local government. It is to local government – and particularly to county government – that citizens turn for day-to-day government needs. It is to the county that citizens turn for equal protection under the laws guaranteed by the state and federal constitutions, and locally provided by the sheriff, courts, and jails. Citizens look to the county for the protection of health, the treatment of physical and mental illnesses and chemical dependency, and for help in times of financial crisis. The county enhances economic well-being through its work in the fields of transportation, business regulation, planning, public safety, agricultural advice, libraries, and the protection and improvement of the built and natural environment.

Yet decisions made by the California Legislature and electorate have restricted counties' ability to provide those services and others at the levels their communities desire. Beginning with its implementation of Proposition 13, the Legislature has entrusted counties ~~with~~ but not funded counties, to provide the most important services to Californians. Counties now face the twin pressures of increasing service demands and statutory requirements on the one hand, and the inability to raise necessary resources to meet those demands on the other.

Local control is the chief principle underlying the California County Platform. Based on that principle, the three major planks of the Platform are:

- 1) to allow county government the fiscal resources that enable it to meet its obligations;
- 2) to permit county government the flexibility to provide services and facilities in a manner that resolves the day-to-day problems communities face; and
- 3) to grant county government the ability to tailor the levels of local revenues and services to citizens' satisfaction.

This Platform is a statement of general principle and policy direction. It recognizes that when dealing in a fast-changing political arena in a state with many local differences almost any policy guideline will occasionally require exceptions. Therefore, it is anticipated that both the CSAC Board of Directors and Executive Committee will support exceptions in appropriate situations upon finding that there exist compelling special conditions.

The Platform is incomplete in that it is continually subject to review and revision. The Platform chapters are arranged in a manner that facilitates additions and amendments without affecting remaining portions.

Section 1: Local Control

Local control calls for the recognition of the differences that exist throughout the state and holds that local government should have the flexibility to develop systems by which services are provided and problems are resolved. It calls on counties to resist externally imposed systems that ignore the differences among them.

Not only does local control fortify counties' position that the state must recognize local differences, it also allows for individual counties to adopt alternatives that might not be acceptable to other counties – provided that these alternatives are not imposed on those who do not wish them.

Counties adopt the principle of local control as the policy cornerstone of CSAC.

The Association CSAC will strive to assure that all legislative proposals, policies, and regulations recognize the differences that exist throughout the state. The Association CSAC will strongly resist any externally imposed systems that ignore statewide differences or that erode local determination.

The Association CSAC internally incorporates the principle of local control. In matters limited to county-wide or regional application, counties are free to determine their own solutions, except when the CSAC Board of Directors or the Executive Committee determines them to be of the gravest and most far-reaching proportions.

The Association CSAC will firmly support any county or counties seeking to oppose the external imposition of systems upon them.

The Association CSAC will firmly support any county or counties seeking to resolve local or regional issues through the enactment of legislation or otherwise, as long as the proposal is not contrary to the basic precepts of a strong and viable county government.

Comment [BH1]: Non-substantive changes for clarity about CSAC.

Section 2: Intergovernmental Relations

There are various issues and problems that transcend the boundaries of political subdivisions. In implementing the Platform, CSAC will endeavor to foster an understanding of the appropriate levels of governmental responsibility to promote efficient and effective governance for the citizens of the State of California. Within this context, it is essential that the roles of state, regional, and local agencies be recognized as distinct and separate. Areas of mutual concern do exist; however, the appropriate role of each agency varies.

Counties comprehensively plan for future growth, the management of natural resources, and the provision of public services; the state should only add requirements to this local planning in areas the Legislature explicitly finds to be of statewide concern. One useful measure of statewide significance is the Legislature's commitment of funds to local government for related costs.

Counties will fully implement state-mandated, state-funded programs locally. However, doing so is not financially or operationally feasible when state regulations are overly burdensome, internally inconsistent, too inflexible to local concerns, or generally under-funded. Therefore, CSAC supports a process of periodic legislative review to determine each mandated program's benefits, including the fiscal and operational feasibility of the program and related regulations.

Counties, cities, and special districts should adopt formal policies that encourage locally initiated solutions to regional problems.

~~The Association~~CSAC will support reasonable proposals that encourage local agencies to resolve disputes without costly litigation and in a way that buoys public confidence in local government, for instance through non-binding mediation.

Comment [BH2]: Non-substantive changes for clarity about CSAC.

Section 3: Efficiency, Economy, and Effectiveness

Counties also advocate the principle of local control to improve efficiency, economy, and effectiveness.

~~The Association~~CSAC will consider proposals to realign responsibility for public services among levels of government. However, any realigned program responsibility must be accompanied by revenue authority sufficient to fund the ongoing costs of the program.

~~The Association~~CSAC will support efforts to align program responsibility with revenue authority among various levels of government.

Comment [BH3]: Non-substantive changes for clarity about CSAC.

Many local services are well-suited for the utilization of private contracts. When properly used, private contracts can be an effective method of increasing efficiency and economy. CSAC encourages expanded permission to use private contracts to provide local services in justifiable areas as a means of achieving efficiency and economy.

California County Platform Updates
Attachment Three
Chapter 5 – Government Operations

Chapter Five

Government Operations

Local control is the primary policy cornerstone of CSAC. Counties should determine the scope and extent of the governmental services that it will render in response to the needs and desires of the local community. While counties do act as agents of the state and federal government in performing state services in some policy areas – and do so with substantial state or federal financing – these activities should be distinguished from areas of local interest or state, federal and local interest when determining the basis for applying statewide standards and supervision.

Comment [BH1]: Summarizes existing policy previously listed under “General Principles” section.

Section 1: General Principles

Local Control

~~As stated in Chapter 1, Section 2, General Provisions, local control is the primary policy cornerstone of CSAC.~~

~~B. County as State Agent vs. County As Local Entity~~

~~Those areas where counties act primarily as agents of the state in performing a state service – and do so with substantial state financing – should be distinguished from areas of local interest or state and local interest when determining the basis for applying statewide standards and supervision.~~

Comment [BH2]: Shifted to introductory paragraph above.

~~C. Scope of Services~~

~~Counties should have full discretion over the scope and extent of governmental services offered. Each county should determine the scope and extent of the governmental services that it will render in response to the needs and desires of the local community.~~ Each county should further examine its ability to support such services, always subject to the requirement to provide mandated services as state agents.

Comment [BH3]: Rewording for clarity.

Uniformity in Services

~~When performing mandated duties, the degree of uniformity required should be carefully determined, with emphasis on the purpose of each requirement with the goal of uniformity not for uniformity's sake, but to serve a specific beneficial purpose. – This will enable progress can come only from through the application of a variety of administrative approaches and methods.~~

Comment [BH4]: Rewording for clarity.

Freedom to Devise Program Operating Policies

Counties should be free to devise their own operating policies for all government programs not financed wholly or substantially by federal or state funds.

Whole Responsibility with Board of Supervisors

To be directly responsible to the people, general control of county government should be placed wholly with the board of supervisors.

Non-Partisan Nature of County Government

The office of county supervisor should continue to be non-partisan, enabling the people to vote on the basis of local issues and to enable supervisors to solve local problems without binding allegiances to political parties.

Section 2: Electronic Data Processing (EDP)

~~A. General Principles~~

~~Counties are fully aware of the benefits that~~Utilizing technology and automation can provide for the improvement of government function and accessibility, and counties and pledge their cooperation to the state and federal governments in developing the means to fully utilize electronic resources.

Comment [BH5]: Rewording and updating formatting for clarity.

~~BA. State and County EDP Policies~~

Differences in state and local applications of EDP must be fully recognized in order that efforts at excessive standardization will not reduce the effectiveness of the total system.

Section 3: Local Government Organization

~~Emphasis must be given to the d~~Different government organizational structures that exist throughout the state; ~~and to the principle of "local control."~~ Legal constraints and time-consuming restrictions have severely limited the use of the charter as a method of obtaining local control. ~~—~~ The State Constitution and statutes should be revised to provide authorization for counties to independently organize by local control.

The principle of local control also applies to the issue of elected "ministerial" officials. ~~—~~ The board of supervisors should have authority to submit proposals for appointment of elected officials to the voters. Also, counties should be allowed to submit to their electorate the questions of whether elected non-legislative officials, except District Attorney, should be appointed by the board of supervisors.

~~Therefore, counties~~Counties should be allowed maximum flexibility to structure their organization through the process of "local option control."

Comment [BH6]: Rewording for clarity.

Section 4: Library Services

The continued vitality of our free and democratic society and the effective operation of government at all levels is dependent on an informed and knowledgeable citizenry. Therefore, it is the responsibility of all levels of government, including county government, to assure that all people have access to sources of knowledge and information that affect their personal and professional lives and society as a whole.

The public library is a supplement to the formal system of free public education and a source of

information and inspiration to persons of all ages, as well as a resource for continuing education. As such, public libraries deserve adequate financial support from all levels of government.

Counties are among the traditional providers of library and information services to the people. Counties form a natural region for the provision of this service. Citizens expect free library services that are responsive to local needs.

Intergovernmental Relationships

The state is urged to recognize public libraries as part of the system of public education and should continue providing financial assistance to support their operation.

The state should also continue and strengthen funding for the interjurisdictional library cooperatives established under Education Code Sections 18700 through 18766.

Privacy and Censorship

Recognizing the right of an individual to privacy, circulation records and other records identifying the names of library users with specific materials, including Internet usage, are to be confidential in nature.

Special Districts

See Chapter VII: PLANNING, LAND USE AND HOUSING, Section 5.

Section 5: Administration of Elections

Counties support efficient and accessible voting for all. Elections administration should strike a balance between uniformity and flexibility.

Reimbursement for Special and Vacancy Election Costs

Counties ~~will~~ support efforts to reinstate language directing the state to provide reimbursement to counties that hold a special election to ~~replace fill a legislative or Congressional vacancy, and other special elections. a member of Congress or a member of the state Legislature to fill a vacancy, as well as for the cost of special elections called for other reasons.~~ Until such reimbursement is provided, counties support efforts to reduce special election administrative costs borne by counties.

Comment [BH7]: Rewording for clarity and to emphasize support for reforms to the special elections process, absent a reimbursement of costs.

All Mail Ballot Elections

Given the increasing popularity of voting by mail and the increasing costs of administering elections due to state and federal regulations, and also considering the positive effect it would have on voter participation, counties support proposals that would give Boards of Supervisors the option of holding any election by mail in lieu of in-person voting.

Section 6: Broadband

Counties support the expansion of broadband (high speed internet service) to all parts of the State to drive economic development and job opportunities, support county service delivery, and improve health, education, and public safety outcomes for residents.

Broadband must be capable of supporting current technology standards and speeds in order for counties to realize these benefits. This may require infrastructure solutions specific to a given county or region.

Access and adoption are both necessary elements that should be supported in state and federal legislative or regulatory proposals. This includes, but is not limited to:

- Establishing and maintaining reliable broadband in unserved or underserved communities;
- Promoting the knowledge, skills and behaviors that comprise digital literacy;
- Making broadband affordable for all households;
- Maximizing funding for infrastructure; and
- Reducing infrastructure deployment barriers.

Comment [BH8]: The CSAC Board of Directors adopted this language earlier in 2016 to be added to the platform. The process involved a robust discussion and review by GFA Committee members.

California County Platform Updates
Attachment Four
Chapter 8 – Public Employment and Retirement

Chapter Eight

Public Employment & Retirement

Section 1: Public Employee Relations

Counties are committed to an employment system that provides public employees with protection against arbitrary and capricious loss of jobs, unfair hiring practices, and preferential promotions or job assignments. Counties believe in and support merit systems. For this purpose, they have provided personnel services, grievance procedures, health and safety protection, retirement and pension plans. Foremost, however, counties have a fundamental obligation to all citizens to exercise the peoples' sovereign power in determining what government will do, at what cost to the taxpayer, and under what circumstances. Thus, the basic principle of county employer-employee relations is one of balancing the legitimate desires and needs of employees against the publics' right to economical, efficient, effective and stable government.

Collective Bargaining

Counties support collective bargaining legislation that:

- 1) Recognizes the right of each employee to join or not join organizations and bargain collectively or individually.
- 2) Recognizes the responsibility of local elected officials to govern and manage the organization and to implement public policy.
- 3) Minimizes conflict over procedural matters.
- 4) Provides an acceptable method of resolving impasse resulting from negotiations. CSAC opposes compulsory, binding arbitration.

Political Activity by Employees

Employees whose job security is protected by civil service or merit systems or by agreement between the county and an employee organization cannot be permitted to engage in any political activity during times when they are paid to be performing the duties of their employment.

Nepotism Restriction

CSAC supports nepotism restriction policies that are consistent with applicable state statutes. Specifically, we support policies that prohibit employment of immediate family members by county officers, or participation of county officers or employees in employment decisions affecting immediate family members. No person should be employed in a position where that position will be directly supervised by a member of the immediate family or where it is reasonable to believe and it can be shown that employment of immediate family members in the same department, division or facility involves potential conflicts of interest.

Employee Benefits Legislation

Counties strive to develop employee benefit plans that are affordable, responsive to the needs and desires of county employees, and reflect the values of the community. We are opposed to the state legislating salary, wages, or employee benefits for county employees. These issues must be determined only at the local bargaining table; otherwise the foundation of the collective bargaining process is undermined.

Comment [BH1]: Rewording for clarity.

Workers' Compensation

CSAC supports preserving the original intent of the Workers' Compensation Act and legislation that would prevent or correct abuses within the system. We believe that timely and unprejudiced benefits should be provided to employees who suffer from work-related injuries or illnesses at a reasonable cost to county employers. CSAC opposes state policy which would erode the original intent of the Workers' Compensation Act or result in excessive costs to county employers and increased litigation.

CSAC supports:

- 1) Reasonable measures to assist employees in returning to suitable employment.
- 2) Promoting medical care treatment guidelines that are based on evidentiary medicine and designed to cure or relieve the effects of employment-related injury or illness.
- 3) The concept of apportionment for disability that is the result of other industrial or non-industrial injuries or conditions.
- 4) Maintaining objectivity in evaluating permanent disability standards.
- 5) The concept that tax exemptions on temporary disability should extend only to the statutory maximum, as outlined in Labor Code 4453.
- 6) Ensuring that the Workers' Compensation Appeals Board remains a forum for efficient resolution of claim issues.

CSAC Opposes:

- 1) Extending workers' compensation benefits to any person other than the employee as defined by law, except in the case of dependent death benefits.
- 2) Injury presumptions for only certain employee classifications.

Coordination of Governmental Employers

Counties, cities, and local governmental management are strongly encouraged to freely exchange information of a timely nature on employee demands over wages and employee benefits as well as settlements reached. In this manner, each employer can deal more effectively with its own "meet and confer" process.

While multi-employer bargaining is not possible now, there are many real benefits available if governmental units would keep adjoining and comparable agencies promptly informed of employer positions on salaries, employee demands and employee benefits. Governmental entities are continuously used for comparison of employee benefits sometimes at an "anticipated" rather than actual level.

Closed Sessions for Negotiation Discussions

Successful negotiations depend upon meaningful discussions at the bargaining table. Under no circumstances should closed sessions of the Board of Supervisors and its designated management representatives be required to be opened to the public.

National Labor Relations Legislation

Counties oppose the intrusion of the federal government into the field of state and local public labor relations legislation. States should be free to experiment with new legislative approaches and to adopt procedures tailored to meet the needs of their constituents.

However, should national labor relations legislation become inevitable, counties should encourage adoption of legislation which parallels their positions on state legislation.

Section 2: Public Retirement

Public retirement systems should be established and maintained on actuarially sound principles and be fiscally responsible. Public pension reform has garnered widespread interest and has generated significant debate among policy leaders about the appropriate remedy for actual and perceived abuse, rising costs, and accountability to taxpayers. CSAC welcomes this discussion and approaches the concept of reform with the overarching goal of ensuring public trust in public pension systems, and empowering local elected officials to exercise sound fiduciary management of pensions systems, as well as maintaining a retirement benefit sufficient to assure recruitment and retention of a competent local

government workforce. The guiding principles are intended to apply to new public employees in both PERS and 1937 Act retirement systems.

Comment [BH2]: Incorporates language that had been in an appendix.

Local elected officials should be able to develop pension systems that meet the needs of their workforce, maintain principles of sound fiduciary management, and preserve their ability to recruit and retain quality employees for key positions that frequently pay less than comparable positions in the private sector. We oppose efforts to remove board of supervisor authority to determine retirement benefits since they are responsible for funding benefit changes. For 1937 Act county retirement systems, we are opposed to any legislation which would transfer authority now vested with the county board of supervisors to the county board of retirement. Such transfer could include, but is not limited to, adoption of salaries for retirement board members or employees, the extension of benefits, or decisions related to funding of the system.

Public pension systems provide an important public benefit by assisting public agencies to recruit and retain quality employees. Any fraud or abuse must be eliminated to ensure the public trust and to preserve the overall public value of these systems.

Public pension systems boards have a constitutional duty to:

- (a) Protect administration of the system to ensure benefits are available to members; and
- (b) Minimize employer costs. The constitutional provisions and state statutes governing such boards should promote responsible financial management and discourage conflicts of interest.

~~Please refer to the Appendix of the CSAC Platform to view CSAC's Pension Reform Guiding Principles.~~

Public pensions should adhere to the following principles:

1) Protect Local Control and Flexibility

- a. Local elected officials should be able to develop pension systems that meet the needs of their workforce, maintain principles of sound fiduciary management, and preserve their ability to recruit and retain quality employees for key positions that frequently pay less than comparable positions in the private sector. A statewide mandated retirement system is neither appropriate nor practical, given the diversity of California's communities. Further, a mandated defined contribution retirement system could force a reconsideration of the decision of local governments not to participate in Social Security.

2) Eliminate Abuse

- a. Public pension systems provide an important public benefit by assisting public agencies to recruit and retain quality employees. Any fraud or abuse must be eliminated to ensure the public trust and to preserve the overall public value of these systems.

3) Reduce and Contain Costs

a. Public pension reform should provide for cost relief for government, public employees, and taxpayers.

4) Increase Predictability of Costs and Benefits for Employee and Employer

a. Responsible financial planning requires predictability. Employers must be able to predict their financial obligations in future years. Employees should have the security of an appropriate and predictable level of income for their retirement after a career in public service.

5) Strengthen Local Control to Develop Plans with Equitable Sharing of Costs and Risks Between Employee and Employer

a. Equitable sharing of pension costs and risks promotes shared responsibility for the financial health of pension systems and reduces the incentive for either employees or employers to advocate changes that result in disproportionate costs to the other party, while diminishing the exclusive impact on employers for costs resulting from increases in unfunded liability.

6) Increase Pension System Accountability

a. Public pension systems boards have a constitutional duty to both protect administration of the system to ensure benefits are available to members and minimize employer costs. The constitutional provisions and state statutes governing such boards should promote responsible financial management and discourage conflicts of interest.

Comment [BH3]: Incorporates language that had been in an appendix.

Section 3: Industrial Disability Retirement

CSAC has traditionally supported the principle of provision of IDR to safety employees who are unable to continue their safety employment due to a bona fide job-connected disabling injury or illness. CSAC also has traditionally recognized that IDR can be extremely expensive, and that responsible reforms may be warranted to limit the cost to truly legitimate claims.

Section 4: Occupational Safety and Health Standards

The occupational safety and health standards and practices for counties should comply with Cal-OSHA.

Safety Member Category

The safety member classification is intended to provide a retirement system for the class or classes of public employees whose duties consist of physically active functions in the protection and safety of the public. The purpose of such classification is to ensure that persons so employed will be agile and active and possess a high degree of physical alertness and stamina and it is designed to provide an opportunity for career employment and, at the same time, provide for and ensure separation from such service

without financial hardship at a relatively younger age than other employees. The term "safety," as used in the retirement law, refers to the safety of the public.

Personal risk or the hazardous nature of job functions are not elements of the classification and shall have no bearing in determining the establishment of or eligibility for safety membership.

Coordination of Personnel Functions with Central Administration

Counties recognize the success or failures of local government rests heavily on the quality of its personnel, and therefore support the close organizational ties between the central administration and the personnel function. Counties are encouraged to establish and maintain effective partnerships between central administration and the personnel functions and to link activities directly related to those functions.

Comment [BH4]: Incorporates language that had been in an appendix.

Equal Employment Opportunity

The California State Association of Counties is committed to the concept of equal employment opportunity (EEO) in public service as a basic merit system principle. Acceptance of this principle does not end with mere prohibition of discriminatory practices. We recognize the obligation of counties to develop practical plans for specific steps to be taken to achieve more fully the goal of equal employment opportunity in county government. This includes positive efforts in recruitment, examination, selection, promotion, pay, job restructuring and due process protection so that appropriate numbers of protected group members achieve positions in county government and are provided promotional opportunities at all job classification levels.

Testing, Selection, and Promotion

Counties believe initial selection and promotional devices used should eliminate artificial barriers, be job related and ensure job success. Special consideration should be given to facilitate the transfer and promotion of qualified employees and full utilization of human resources particularly in protected classes.

Licensing and Certification

The counties urge a review of all requirements for licenses or certificates for county employment to ensure they are realistically related to job performance. Counties should strive to prevent the requirement of licenses or certificates when those requirements create artificial barriers to employment and/or upward mobility.

State Duplication of Federal Law and Reporting Requirements

Counties are opposed to the adoption of state laws which duplicate, are inconsistent or conflict with federal law or regulations.

Counties are greatly concerned with the multitude of varying EEO reporting requirements coming from

state and federal government. The time required to gather and report EEO data from the many different state and federal agencies, each requiring its own data, greatly reduces the time available to accomplish the objective of EEO. Counties urge state and federal government reporting requirements that are realistically related to necessary monitoring and evaluation activities.

Counties support the consolidation and integration of federal agencies with responsibilities for the monitoring, auditing or regulating of local affirmative action plans and activities. The federal government should initiate efforts to increase standardization and uniformity of their practices in these areas.

Section 5: Workforce Development

CSAC recognizes and endorses the principles of prime sponsorship and accountability of county officials in the planning, administration and supervision of comprehensive local systems of workforce training and employment--with a minimum of federal regulation.

California County Platform Updates
Attachment Five
Chapter 9 – Financing County Services

Chapter Nine

Financing County Services

California counties are the unit of government best suited to deliver public assistance, public protection, and some public works services, but counties have limited ability to adequately finance these responsibilities. In order to meet each community's unique needs, counties must be given greater financial independence from the state and federal budget processes, including the authority to collect revenues at a level sufficient to provide the degree of local services the community desires. Counties will seek a level of financial independence that provides for the conduct of governmental programs and services, especially discretionary programs and services, at an adequate level.

Section 1: State Policy Objectives

Program Realignment

Reforms of county finances need to involve agreement between the state and the counties on a realignment of responsibilities to provide social services, income maintenance, health care, justice services, or any other service that the county is best suited to provide. Counties must be given realistic and adequate revenue sources to pay for ongoing program and service responsibilities. The CSAC Realignment Principles ~~document that the Board of Directors adopted in 2010~~ appear ~~s~~ in the Realignment chapter within this Platform, as an appendix to this Platform.

Comment [BH1]: Technical change to reflect formatting updates.

Financial Independence

Counties have neither the financial resources to both operate state programs and also meet local needs, nor the ability to predict service levels beyond each legislative session. Therefore, counties advocate for aligning revenue authority with service responsibility, and also support other measures that would grant counties financial independence.

Comment [BH2]: Rewording for clarity.

- 1) Protection of local government revenues: Counties strongly support the provisions of Proposition 1A (2004), which provides constitutional protection of local governments' property tax, sales tax, and Vehicle License Fee revenues. It also requires the Legislature to fully fund or else suspend reimbursable local mandates.
- 2) Mandate funding: Counties continue to advocate for guaranteed state ~~will~~ appropriations ~~appropriate~~ of sufficient funds prior to requiring counties to provide new or increased services. (Also see Chapter ~~XI~~ II: STATE MANDATE LEGISLATION.) Counties also seek a guarantee that programs and services that are funded wholly or partially by the state will annually receive full adjustments for the increased cost of providing them, including inflation and population changes.
- 3) State Borrowing of Property Tax Revenues: Counties will firmly oppose any attempt by the state to borrow property tax revenue from counties under the provisions of Proposition

1A. Such borrowing would cause counties increased costs in several areas, including the cost of borrowing and lost investment income. Furthermore, borrowing to cover ongoing state costs is fiscally unwise, and would put negative pressure on state funding of county-provided services in the out-years.

- 4) Local Authority: Counties should be granted enhanced local revenue-generating authority to respond to unique circumstances in each county to provide needed infrastructure and county services. Any revenue raising actions that require approval by the electorate should require a simple majority vote.

Comment [BH3]: Adding in section headers to clarify policy issues.

Furthermore, cCounties should have the ability to adjust all fees, assessments, and charges to cover the full costs of the services they support.

- 5) State Payments: Counties seek a guarantee that the state will pay reimbursements and subventions promptly, with the payment of interest to counties when it does not pay promptly-fails to do so.

Comment [BH4]: New language.

Existing Revenue Sources

- 1) Property Tax Revenue: Counties oppose erosion of the property tax base through unreimbursed exemptions to property taxes. The state should recognize that property tax revenues are a significant source of county discretionary funds. Any subventions to counties that are based upon property tax losses through state action should be adjusted for inflation annually.
- 2) Property Tax Administration: ~~The state should recognize C~~Counties incur significant costs in administering the property tax system and in maintaining financial records for other government entities and jurisdictions, and should receive full reimbursement from all recipients – proportional to their benefit – for actual administrative costs upon distribution of property tax proceeds.
- 3) 1991 Realignment: In 1991, the state and counties entered into a new fiscal relationship known as realignment. Realignment affects health, mental health, and social services programs and their funding. The state transferred control of certain programs to counties, altered program cost-sharing ratios, and provided counties with dedicated tax revenues from the sales tax and vehicle license fee to pay for these changes. Counties support full continuation of all dedicated realignment revenues. Counties also urge the state to pay counties for the full, current, actual costs of administering programs on its behalf, which is currently frozen at 2001 levels.
- 4) Incorporation, Annexation, and Dissolutions: Counties support the provisions of revenue neutrality and encourage enhancements and improvements to new city incorporation law. Property tax transfers resulting from municipal incorporations, annexations, or dissolutions-should be generally negotiated.
- 5) Sales Tax Distribution and Exemptions
 - a. Distributions: Any distribution formula for new sales tax revenue growth should not be limited to a situs-only distribution. Other options for distribution of new sales tax revenue growth should be fully explored.

- b. ~~Sales Tax Exemption:~~ Also Counties oppose unreimbursed sales tax exemptions enacted by the state including exemptions of the local portion and state portions dedicated to counties for county administered services.

Comment [BH5]: Adding in section headers to clarify policy issues.

Efficient Government

The state should facilitate the efficient use of taxpayers' dollars by:

- 1) Streamlining or eliminating unnecessary planning, reporting, and administrative requirements in state-county partnership programs.
- 2) Reducing or eliminating regulations that seek to control the implementation of state-mandated programs and services.
- 3) Granting counties greater flexibility to manage county programs in a more efficient and effective manner and tailored to a community's individual needs.
- 4) Allowing counties to use the least costly methods of providing services while meeting operational needs.

Equal Treatment

The allocation of new financial resources or needed reductions should treat all counties equally, based on service needs.

~~There Counties should engage in should be~~ ongoing efforts to discuss and negotiate equitable resolutions of conflicts between counties and other units of local government.

Comment [BH6]: Rewording for clarity.

Aligning Revenue Authority with Service Responsibility

The passage of Proposition 13 and implementing legislative and judicial decisions, along with myriad other actions since, have eliminated most connections between the payment of taxes and the benefits received by the individual or business taxpayer. Counties support aligning revenue authority with the level of government responsible for providing services.

Master Settlement Agreement

Under the terms of a Memorandum of Understanding (MOU) with the state, California counties receive forty percent of proceeds from the Master Settlement Agreement between the tobacco industry and a number of states. The MOU specifies that these funds are discretionary. Counties oppose any effort to diminish their share of the tobacco settlement or to impose restrictions on its expenditure. Additionally, counties oppose any effort to lower or eliminate the state's support for programs with the expectation that counties will backfill the loss with tobacco settlement revenue.

Section 2: Federal Policy Objectives

Adequate compensation must be made available to local governments to offset the costs of providing services as required by federal law. Additionally, any revenue sharing or payment in-lieu of taxes should be equitable, predictable, and sustainable.

Comment [BH7]: Added introductory paragraph to frame policy area.

Basic Service Levels

The federal government should finance a basic level of health, social service, and income maintenance services, including resultant county administrative costs. It must provide flexibility to adjust to local needs and circumstances and it must provide for long-term program planning and program stability.

Adequately Finance Specific Program Objectives

Federal efforts to address certain domestic needs as partners with counties must adequately provide for county administrative costs, provide flexibility to adjust to local needs and circumstances, provide for long-term program planning, and provide for program stability.

Shared Revenues

The federal government should continue to share the benefits of its greater and more equitable taxing ability with state and local government in a non-restrictive manner. When possible, the shared revenues should be provided in the form of block grants.

Encourage Public Investment

The maintenance and development of state and local infrastructure must be facilitated with federal tax exemptions for state and municipal debt and by special taxing and expenditure programs to meet priority needs.

Payments In Lieu Of Taxes

Payments in lieu of taxes (PILT) should be made in full whenever the federal government removes or withholds otherwise productive property from the property tax rolls. PILT payments should receive full cost of living adjustments annually.

Taxation Of Remote Sales

The federal government should endeavor to approve a nationwide system for sales taxation that ensures fairness between remote (online) and brick-and-mortar retailers.

Comment [BH8]: Clarifying word added.

Telecommunications

Counties endorse promoting competition among telecommunications providers and treating like services alike. Any effort to reform the Telecommunications Reform Act of 1996 must maintain local management of the public rights-of-way, encourage investment in all communities and neighborhoods, preserve support funding for public education and governmental (PEG) channels and institutional networks (I-NET), and hold local governments fiscally harmless for any loss of fees or other revenue that result from franchise agreements.

California County Platform Updates
Attachment Six
Chapter 12 – State Mandate Legislation

Chapter Twelve

State Mandate Legislation

~~Ever since SB 90 (1972) limited property tax rates, the~~ The state is constitutionally required through Proposition 4 (1979) and Proposition 1A (2004) ~~state has been required~~ to pay for new or higher levels of service it ~~requires mandates from~~ counties and other local agencies ~~provide~~. ~~Propositions 4 (1979) and 1A (2004) strengthened that requirement and established it in the California Constitution.~~ However, the issue of mandate reimbursement remains contentious, since mandates reside ~~where at the intersection of the core principle of~~ local control and the reality ~~of that~~ counties ~~as are~~ providers of state services ~~intersect~~.

~~Mandates are particularly burdensome for counties because of the severe restrictions on raising county revenues to pay for new requirements.~~

Comment [BH1]: Rewording for clarity.

Section 1: Mandate Suspension

Comment [BH2]: Adding section headers.

~~The ongoing suspension of established mandated programs or services is problematic. Implementing programs and new levels of service is costly, so the~~ The Legislature ~~state~~ should either fund a mandate annually or repeal it completely. Continually suspending mandates merely burdens counties with either funding the service out of its own general funds or absorbing the cost of repeatedly resetting service levels.

Comment [BH3]: Rewording for clarity.

Section 2: Need for Mandates

Comment [BH4]: Adding section headers.

~~Mandates are particularly burdensome for counties because of the severe restrictions on raising county revenues to pay for new requirements.~~ State mandates should only be imposed when there is a compelling need for statewide uniformity.

Comment [BH5]: Adding clarity.

Section 3: Timing of Mandate Payments

Comment [BH6]: Adding section headers.

All state mandates should be funded prior to delivery of the new or higher level of service. The current policy of reimbursing established mandates ~~two years following a Commission on State Mandates determination after the fact~~ constitutes a loan from counties to the state. The state should not require counties to provide a service for which it is unwilling to timely pay. Bills mandating new or increased levels of service should include a direct appropriation.

Comment [BH7]: Rewording for clarity.

Section 4: Mandate Alternatives

Comment [BH8]: Adding section headers.

Local agencies and the state should endeavor to take advantage of Reasonable Reimbursement Methodology and Legislatively Determined Mandates. These processes will provide budgetary certainty to the state and counties, and help to decrease the extraordinary time and cost involved with determining reimbursement levels through the traditional Commission on State Mandates process.

Section 5: Mandate Reforms

Comment [BH9]: Adding section headers.

The current mandate determination and processes must be reformed. The reforms must make the determination process more efficient, in terms of both time and cost, and less biased against local agencies. State audits of local claims must be timely, consistent, reasonable, and predictable.

It should not take ~~seven-several~~ years to determine whether the state has required a new or higher level of service. State Controller audits should not be able to cut reasonable claims by half or more based on technicalities or unreasonable records requirements.

Comment [BH10]: Rewording for clarity.

Constitutional amendments should not exempt additional categories of state mandates from cost reimbursement. Also, voter approval of requirements or programs similar to those already established as reimbursable mandates should not be cause for the state to cease reimbursements.

California County Platform Updates
Attachment Seven
Chapter 13 – Economic Development

Chapter Thirteen

Economic Development

Section 1: GENERAL PRINCIPLES

~~A. The general principle for economic development is as follows: To maintain a vital economy in California, counties must administer and support an economic development process that retains, expands, and recruits businesses while reducing regulatory barriers to such businesses. For example, regulatory barriers may include permitting issues, fees and taxes on business in California, and streamlining government.~~

Comment [BH1]: Rewording for clarity.

~~The following general goals have been identified as priorities for the CSAC Economic Development Policy Committee:~~

- ~~1. Provide significant outreach to all county members in order to increase participation in the Economic Development Policy Committee.~~
- ~~2. Include our partners in the Economic Development Policy Committee meetings. Partners include the League of California Cities, the California Association for Local Economic Development, the Regional Council of Rural Counties, the Business Transportation and Housing Agency, the Employment Development Department, and the Department of Housing and Community Development.~~
- ~~3. Strengthen the partnership between the CSAC Economic Development Policy Committee and both the CSAC Corporate Associates Program and the California Association for Local Economic Development, in order to provide on-site economic development education, training, and resources.~~
- ~~4. Provide recommendations on legislation regarding economic development to the CSAC Board of Directors and other CSAC policy committees.~~
- ~~5. Provide new resources to county economic development departments, including a compendium of existing state and local resources available to economic development professionals.~~
- ~~6. Work to strengthen the partnership between counties and their workforce investment boards, which provide significant investment and tools to address economic development. CSAC also supports efforts to create a skilled workforce, both technical and vocational.~~
- ~~7. Encourage economic development incentive programs, such as enterprise zones, to support economic development investment at the local level.~~
- ~~8. Support the efforts of the California partnership for the San Joaquin Valley.~~

Comment [BH2]: Deleted language related to Economic Development Policy Committee. This entity has not met for 6 years. Relevant policy statements are incorporated into pertinent chapters.

Section 1: Economic Development Program Retention

Counties believe that existing state economic development programs should be retained within existing resources. Job creation is important to ~~our members~~counties and should help guide ~~our~~ policy on such issues as investment in infrastructure and the allocation of state resources.

Comment [BH3]: Rewording for clarity.

Currently, counties continue to advocate for the following programs to be retained within existing resources as budgeted by the State of California:

- 1) Office of Military Base Retention and Reuse. This office provides ongoing assistance and support to communities with closed bases, as well as communities with active installations, in an effort to ensure the continued viability and retention of the remaining bases in California.
- 2) Infrastructure Bank. The Infrastructure Bank is authorized to issue tax-exempt and taxable revenue bonds, provide financing to public agencies, provide credit enhancements, acquire or lease facilities, and leverage State and Federal funds. The Bank also provides low-cost financing to public agencies for a wide variety of infrastructure projects that help create jobs in California.
- 3) Marketing Programs. These programs include Team California, which is a network of economic development professionals actively involved in business attraction, retention, expansion, and job creation efforts throughout the state.
- 4) Small Business Development Centers (SBDC). The SBDC program links federal, state, educational, and private resources designed for small businesses. They provides one-stop access to free business counseling, planning, marketing and training programs.
- 5) Tourism. The State Office of Tourism supports efforts to attract tourist dollars to the Golden State, and CSAC supports efforts to promote agricultural, historic, and natural resources tourism throughout the state.
- 6) Film Industry. The California Film Commission works to retain film production in the state, and CSAC supports partnerships and continued collaboration between the state and the efforts of regional and county film commissions.
- 7) Manufacturing Retention and Expansion Programs. Support tools to create and expand manufacturing jobs and capacity throughout California.

Section 2: Community Development Block Grant Program

Counties recognize the importance of the Community Development Block Grant Program, which provides funding to small communities for economic development. This program is administered by the

State Department of Housing and Community Development (HCD). Counties maintain that this program is very important to rural counties and provides significant investment in the rural economy.

Within the economic development portion of the CDBG program, counties believe that there should be less paperwork, more flexibility, more emphasis on economic development issues, and an increase in the availability of technical assistance provided by HCD.

The state should provide more guidance and technical assistance to those counties in need of additional resources in order to apply for these funds.

Key priorities for reform in the CDBG Program include the following:

- 1) Model the state Economic Development CDBG program to the greatest extent possible after the current federal entitlement community in order to streamline the program.
- 2) Renew HCD focus on technical assistance, specifically to those jurisdictions with limited resources. This could include assistance from CALED and Economic Development Corporations located throughout California.
- 3) Increase the focus on economic development including the possibility of having an economic development advocate within HCD.
- 4) Improve communication between HCD and rural counties. This would include providing counties with new directives from the United States Department of Housing and Urban Development (HUD), and alerting counties to best practices and funding provided by the CDBG program. Counties also maintain that this should also include better guidance on the re-monitoring and auditing of grant recipients.
- 5) Increase the flexibility in the CDBG program to enable smaller jurisdictions to limit the amount of paperwork and regulation that currently make this program difficult to implement.

Section 3: Military Base Retention and Reuse

~~Counties believe that we should continue to~~Counties support funding for and the and advocate for the retention and sustainability of military installations and their inextricably linked sea, air, and land operating areas in California. The Department of Defense (DoD) generates \$41-billion~~s~~ for the economy in California, providing thousands of quality jobs with real benefits and career advancement opportunities. Counties believe that California is uniquely positioned to support military missions and operations and that the DoD provides a substantial economic benefit to the state. Therefore, counties vow to continue efforts to support, preserve, and enhance the military mission capabilities of areas throughout the state.

In the area of military base reuse, counties support programs and efforts to attract high quality technological businesses that can maximize existing facilities to further the economic development goals

Comment [BH4]: Rewording for clarity. Also deletes a statistic that may change between policy platform revisions.

of local governments. Counties further affirm that flexibility at the local level to help communities develop reuse areas in a timely manner is critical to the successful reuse of former military installations.

2016 Year in Review and 2017 Priorities
Attachment Eight
Memo on 2016 Year in Review and 2017 Priorities



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November 16, 2016

To: CSAC Government Finance and Administration Policy Committee

From: Faith Conley, Legislative Representative
Dorothy Holzem, Legislative Representative
Betsy Hammer, Legislative Analyst

Re: **2016 Year in Review and 2017 Policy Priorities - INFORMATIONAL**

This summary offers legislative highlights from the past year as well as anticipated priority issues for the Government Finance and Administration policy area in 2017. (Note: The association-wide state and federal policy priorities for 2017 will be adopted by the Board of Directors early next year.)

2016 Year in Review

Connecting Through Communication and Advocacy. Our direct advocacy efforts were enhanced again this year through a variety of platforms that directly connect CSAC with our members, the media and the public. Online, CSAC's videos, blogs and Bulletin articles were picked up by outside news outlets and our Twitter feed reached millions of people. Our webinar series that explores and explains complex issues such as a pending broadband and telecommunications merger and open data issues was effective in educating local officials and promoting feedback that aids our advocacy efforts. Using these tools has increased our reach and effectiveness and will continue to do so in the coming years as we advocate as the united voice for California's 58 counties. The upcoming launch of our new association management system will further promote outreach and improve internal association communication on the needs of our membership.

EMPLOYEE RELATIONS AND ADMINISTRATIVE SERVICES POLICY UNIT

Employee Leave Expansions

Senate Bill 654, by Senator Hannah-Beth Jackson, would have made it an unlawful employment practice for an employer with a certain number of employees to refuse to allow an eligible employee to take up to six weeks of job protected parental leave to bond with a new child within one year of the child's birth, adoption or foster care placement. This bill also would have prohibited an employer from refusing to maintain and pay for the employee's continued group health coverage during the duration of the leave. CSAC joined the California Chamber of Commerce in opposition to SB 654 due to the administrative and cost issues associated with expanding leave under the California Family Rights Act. While CSAC actively supports providing adequate time off to employees, it recognizes that such leave expansions must be viewed within the context of all applicable leave laws available to employees and such expansions must be fair to

the employee while balanced with the needs of the employer. SB 654 was vetoed by Governor Brown.

Retirement Benefits

CSAC strongly opposed **Assembly Bill 1853 by Assembly Member Jim Cooper**, which would have allowed a retirement system under the County Employees Retirement Law of 1937 (CERL) to elect to be an independent district without any county input. CSAC opposed this measure because it would have allowed systems to modify their structure without adequate discussion with other affected stakeholders; under the current system, retirement systems may change their structure, but must work with other stakeholders to do so collaboratively. Additionally, the bill would have led to increased administrative costs due to language requiring the county to maintain health benefits for former county employees that would shift to being independent retirement district employees. Governor Brown vetoed AB 1853, writing in his veto message that the current process of pursuing legislation to separate a county and its retirement system was sufficient and beneficial to both parties.

Wage Discrimination

The Governor signed **Senate Bill 1063, by Senator Isadore Hall**, which prohibits employers from paying employees a wage rate less than that paid to employees of a different race or ethnicity for substantially similar work. CSAC opposed the measure on the grounds that legislation related to equal pay (SB 358, Jackson) just took effect earlier this year, and employees, employers, and the courts need time to interpret and implement the new boundaries of equal pay before seeking to expand it even further.

Assembly Bill 1676, by Assembly Member Nora Campos, was also signed into law, and simply reiterates existing statute that prohibits employers from utilizing prior salary alone to justify any disparities in pay rates between genders. CSAC opposed AB 1676 in its original form as it prohibited private and public employers from ever asking an applicant for employment about prior salary and thus created a major issue for those public agencies that participate in merit systems or use classification systems in hiring and promotion activities. Counties currently operate within a system of classifications and salary step increases; such a prohibition would have actually made it more difficult for public agencies to ensure pay equity in our county departments. Negotiations with the author led to the current version of the bill and CSAC accordingly removed its opposition.

Workers' Compensation

Assembly Bill 1244, by Assembly Member Adam Gray, requires the administrative director of the Division of Workers' Compensation to suspend medical service providers from participating in any capacity in the workers' compensation system if, among other things, they are convicted of any of the following: a felony; a misdemeanor involving fraud or abuse of the Medi-Cal program, Medicare program, or workers' compensation system; a misdemeanor involving fraud or abuse of any patient; or are suspended from the federal Medicare or Medicaid due to fraud or abuse. CSAC supported AB 1244

because it is an important initial step in the fight against rampant fraud within the workers' compensation system and the bill was signed by Governor Brown.

Assembly Bill 1643, by Assembly Member Lorena Gonzalez, would have would have prohibited the apportionment of permanent disability for industrial injuries from being based on pregnancy, breast cancer and menopause. Apportionment in the workers' compensation system is performed by treating physicians to determine the percentage of an injured worker's injury that was actually a result of his or her job; accordingly, an employer only covers the percentage of costs associated with the injury that was incurred due to the person's employment. CSAC opposed AB 1643, and **Governor Brown vetoed AB 1643** as he believes the bill would "create broad gender-based exceptions to the core principle of apportionment: that employers are liable only for the permanent disability directly caused by their employee's work-related injury."

Senate Bill 897, by Senator Richard Roth, would have provided an additional year of leave with full, tax-exempt salary (otherwise known as "4850 benefits") to certain peace officers "catastrophically injured" in the line of duty. CSAC opposed the bill as current benefits of one year of full salary and an additional year of leave paid at a rate of two-thirds of an officer's salary is a generous benefit to injured peace officers that have been injured on the job. Additionally, each local agency currently has the authority to extend such benefits and a statewide mandate to do so in certain situations only leaves public agencies open to litigation and fraud within the workers' compensation system. Agreeing with the arguments made by the opposition, Governor Brown vetoed SB 897.

Public Records/Brown Act

CSAC sponsored Assembly Bill 1546, by Assembly Member Kristin Olsen, which will allow the Department of Public Health to suspend the use of certain currently required security features of a certified copy of a birth, death, or marriage record when necessary. CSAC sponsored this bill to address recent problems with supplies of specialty paper needed to keep vital records available, which put counties in a precarious position of being unable to issue these important documents to their residents. The bill was signed by Governor Brown.

CSAC additionally sponsored Assembly Bill 2636 by Assembly Member Eric Linder, which allows local jurisdictions the option to accept online requests for vital records; counties that choose to offer this option would provide a multilayered remote identity authentication method to establish the identity of the requestor, thereby ensuring the highest level of privacy security for the applicant. CSAC sponsored this measure because it will make the process of requesting vital records easier for both the consumers who need access to their records and the counties supplying records. The option will allow vital records processing to catch up to current technological standards while also maintaining vital security standards. Seeing the benefit to counties that wished to allow residents this option, Governor Brown signed the bill.

Assembly Bill 779 by Assembly Member Cristina Garcia was vetoed by Governor Brown, and would have required local agencies to submit an annual report on total

compensation for each elected official. For purposes of the report, “total compensation” included salary, overtime, unused vacation time, stipends, pension contributions, retirement contributions, health premiums, and allowances for automobiles, phones, and technology like computers. CSAC opposed this measure on the grounds that it was duplicative of existing annual reports to the State Controller and would have therefore increased complexity without adding value to the public.

CSAC, after negotiating substantial amendments to the bill, dropped its opposition to **Assembly Bill 2257 by Assembly Member Brian Maienschein**, which requires agendas for the legislative bodies of local governments to be accessible on the homepage on the local agency’s primary website through a “prominent, direct link.” Local agencies are exempt if they use an integrated agenda management platform that meets certain requirements, including that the current agenda is the first on top and that all agendas posted are machine-readable and platform independent. CSAC opposed earlier versions of this bill because it imposed onerous requirements with very specific restrictions, but successfully negotiated amendments with the author to, among other things, include exemptions for agencies using integrated agenda management platforms. Following this negotiated compromise, CSAC changed to a position of neutral and the bill was signed by Governor Brown.

FINANCE AND OPERATIONS POLICY UNIT

Sales and Use Tax Revenue Protected

CSAC actively and successfully lobbied against a half-dozen measures that sought to create sales and use tax exemptions for products ranging from diapers to emergency supplies to feminine hygiene products. While often well-intended, these proposals represented an erosion of tens of millions of dollars annually in local revenue as well as dedicated state funding for public safety and health and human services programs. CSAC was often the sole voice of opposition to these measures, which were widely supported in the Legislature. **Governor Brown vetoed all three** of the CSAC opposed sales tax exemption bills that made it to his desk: **Assembly Bill 717 by Assembly Member Lorena Gonzalez** for infant and toddler diapers; **Assembly Bill 1561 by Assembly Member Cristina Garcia** for feminine hygiene products; and **Senate Bill 898 by Senator Janet Nguyen** for animal blood bank products. Other CSAC opposed sales tax exemption measures were held in fiscal committees or pulled from consideration by the author due to potential losses for the State and local governments.

Elections Reform and Funding Allocation

In addition to advocating for numerous measures that would reduce immediate and direct costs for elections administration, CSAC assisted with the passage of a late-breaking budget trailer bill (**Assembly Bill 120**) that allocated \$16.2 million directly to counties for the 2016 election cycle. This did not represent an ongoing commitment, but it put a spotlight on current elections cost burden on counties, the aging condition of voting systems and equipment, and the extensive election mandates debt owed to counties for services that are critical to the conduct of open and inclusive elections. CSAC-supported elections reforms bills **signed by the Governor include: Assembly Bill 2686 by Assembly Member Kevin Mullin** that permits vote by mail elections for

special elections called to fill a legislative or congressional vacancy; and **Senate Bill 450 by Senator Ben Allen**, which creates a major change authorizing counties to conduct all elections entirely by mail while using multi-day vote centers to assist voters in-person.

Hotel Tax Revenue and Governance Authority Protected

CSAC successfully lobbied on two transient occupancy tax (TOT) bills to ensure county revenues were not eroded through the growing use of online vacation rentals, such as Airbnb. **Senate Bill 133 and Senate Bill 1102 (both by Senator McGuire)** were well intentioned but failed to provide the necessary assurance to cities and counties. **CSAC opposed both measures, which were both defeated in committees.** CSAC appreciates the leadership of Senator McGuire on this issue and his commitment to work with all stakeholders to find a path forward that will truly assist local agencies with their TOT collection without sacrificing local ordinances addressing land use, health, or safety needs.

At this time, CSAC believes cities and counties are best suited to develop agreements with online rental platforms, but there may come a time when state regulation of this emerging business model is appropriate. SB 133 is the fourth bill introduced seeking to directly address local agency regulation of the online rental platforms. New proposals in the next legislative session are not only anticipated but expected. In light of this, the CSAC Institute will be hosting an Emerging Issues Workshop on shared economy services and goods with heavy emphasis on the impact of short-term rentals offered by online platforms. The one-day workshop will be held on Thursday, January 26 in Sacramento. More details and registration will be available soon through the CSAC Institute.

New Reporting Requirements for Bond Issuance

Two bills signed by Governor Brown require additional reporting on local agency debt activity. While these are both potentially new mandates, CSAC was able to minimize the impact in a challenging policy area related to public agency financial transparency. First, **Assembly Bill 1666 by Assembly Member Bill Brough** requires community facility districts (Mello-Roos) to post their annual report to the California Debt and Investment Advisory Commission online for the current year, if a report is requested by an eligible property owner. CSAC worked closely with the Assembly Member's staff to ensure technical implementation issues were resolved and the posting requirements allowed for local agency flexibility.

Senate Bill 1029 by Senator Bob Hertzberg originally sought to mandate significant new reporting to the State Treasurer's office for any debt issued by a local agency (reaching back potentially 20 to 30 years) in a new format, markedly different from what is already provided to the State Controller's Office. After nearly a year of negotiations, CSAC secured amendments that only require debt issued after January 2017 to be reported on and using the same time frame as the Controller's reports. CSAC also secured county representation in statute as part of the review team for any new reporting methodology required by the Treasurer, rather than have the review go through the often opaque regulatory process. However, more work will be needed to clarify how existing

Mello-Roos and JPA reporting can mesh with the new requirements put in place by SB 1029.

Property Taxes and Other Assessments

The Governor signed Assembly Bill 2801 by Assembly Member James Gallagher), which requires local agencies seeking to levy a property based assessment to retain any written protests received regarding that proposed assessment for two years following the date of the public hearing where the assessment is considered. CSAC went neutral on the measure after successfully removing all other requirements related to formatting, storage, counting and review. Ultimately, CSAC believes this measure preserves local control of the written protest administrative process and closes the door for spurious contests that would be been wide-open in earlier versions of the bill. Counties may wish to seek reimbursement if costs associated with AB 2801 exceed \$1,000.

Assembly Bill 2476 by Assembly Member Tom Daly related to parcel taxes, was also **signed by the Governor** and more work will be needed on implementation through possible urgency legislation. The law requires local agencies that successfully pass a parcel tax to notify any property owner residing outside the local jurisdiction of the new tax. Costs incurred from the notification requirement may be recouped from proceeds of the parcel tax. CSAC opposed this measure due the erosion of parcel tax revenues for the intended purpose and “solution in search of a problem” approach. Counties, special districts and cities have approximately 60 parcel tax measures going before voters this November and will need to provide the new notification if they successfully pass. CSAC was previously neutral on the bill until late-breaking amendments created strong grounds for opposition.

Finally, **Assembly Bill 587 by Assembly Member Ed Chau** was a CSAC-opposed measure that the **Governor signed** despite the potential for tens of millions of lost property tax revenue and related state obligations for schools. This measure creates a three year amnesty window for mobilehome owners who are not current on their registration or related tax liability. The amnesty program removes all property tax liability, including penalties and interest, for mobilehome owners who come forward to become current on their registration. CSAC opposed this measure due to the precedent-setting parameters for a tax amnesty program, impact to property tax revenues, and lack of corrective action to avoid future registration backlogs and unpaid property taxes.

Mandate Repayment and Reform

CSAC had limited conversations on mandate repayment and reform due largely to late-emerging county priorities for state General Fund allocations. However, CSAC successfully helped stop a proposed mandate repayment plan related to racial profiling that would have given counties a reduced allocation and possibly violated the State Constitutional guarantees for repayment. CSAC will remain active on this issue in spite of a clear message from the Administration that payments on post-2004 mandate debt would only come with major reforms to the mandate determination and reimbursement system, which may seek to limit total dollars delivered to counties.

2017 Proposed Legislative Priorities

EMPLOYEE RELATIONS AND ADMINISTRATIVE SERVICES POLICY UNIT

CalPERS' Healthcare Issues. Many counties contracting with the California Public Employees' Retirement System for employee health benefits have voiced concerns with the costs and lack of data provided by the System to help counties analyze these costs. CSAC will work with CalPERS and contracting counties to address these concerns.

CalPERS' Risk Mitigation Discussion. Counties will recall that the CalPERS Board of Administration last November adopted a risk mitigation strategy to incrementally lower the discount rate in years of good investment returns, help pay down the Fund's unfunded liability and provide greater predictability and less volatility in contribution rates for employers. Specifically, if investment returns exceed the discount rate (currently 7.5 percent) by four points in any fiscal year, the discount rate will be lowered by a minimum of 0.5 percentage points to a maximum 0.25 percentage points. That excess gain will then offset the employer contribution rates that would usually increase when the discount rate is lowered. CalPERS' staff has projected that the discount rate would most likely decrease to 6.5 percent in 21 years.

The discussion of lowering the current discount rate is actually not calendared for the CalPERS' Board of Administration until 2018; however, in light of recent lower-than-expected investment returns – and no expectations of an upward trend – retired Chief Actuary Alan Milligan in September strongly recommended that the Board consider lowering the discount rate by at least 0.25% by February 2017. This action would inevitably increase employer contributions to the Fund.

CSAC will work closely with CalPERS to address the need for fiscal stability while acknowledging the impacts of rate increases on public employers.

Affordable Care Excise Tax. (Federal and State Priority). CSAC will continue to engage on the Affordable Care excise tax – also known as the “Cadillac Tax” – which imposes an excise tax of 40 percent starting in 2020 on health plans whose value is more than \$10,200 for individual coverage and \$27,500 for a family (the tax only applies to the amounts that exceed the threshold). While the implementation of the tax was extended from 2018 to 2020, CSAC places a high priority on educating the federal government and IRS on the effects of the excise tax on our counties (including the administrative issues and costs associated with reporting requirements) and will maintain our effort to ensure those concerns are fully addressed.

Collective Bargaining. CSAC led a coalition of public employers and education management advocates to defeat the aforementioned AB 2835 to require incredibly

prescriptive union orientations for all new employees. It is expected that this legislation will be reintroduced in 2017 and, as per usual after major election years and the beginning of another two-year legislative session, public employers will see many bills introduced that threaten the balance between the rights of employees and the inherent management rights of public agency employers. CSAC will fully engage again this upcoming year to ensure that counties as employers maintain the ability to effectively manage their workforces while also maintaining the exemplary benefits provided to their employees.

Open Data/Public Records. CSAC was heavily engaged this year on legislation affecting the Public Records Act (PRA) and the sharing of public data on our county websites. It is expected that the introduction of bills attempting to expand PRA and provide transparency in county government will not slow down in 2017; CSAC will continue to ensure that county interests on the administrative ability to implement such legislation as well as working with the Legislature and proponents to determine how to reach these goals is at the forefront of such endeavors.

Body Cameras. The discussion of the expansion of the Public Records Act cannot take place without the inclusion of what will continue to be a trending topic next year: the implementation within public agencies across the state of public safety officer-worn body cameras. CSAC engaged in 2017 on bills that would permit the sharing of footage with the public as well as prescribing employment rights policies on local governments by the state. CSAC will commit to ensuring that county interests with regard to how and when such footage is made publicly available, as well as the management of those employees wearing the body cameras, are made clear as further legislation moves forward on this issue.

FINANCE AND OPERATIONS POLICY UNIT

Protecting County Governance Authority. Recent legislative interest in local governance models for cities, counties and special districts has increasingly put Board of Supervisors' authority in the spotlight for questions related to board structure, district size and general decision-making powers. This has been the case for charter and general law counties alike. CSAC will advocate for maintaining Board authority for budget approval, redistricting, and the existing mechanisms that reflect local voter will for changes to either board size, districts, or funding levels to reflect community service needs.

Mandates Debt Repayment and Reimbursement Reform. CSAC will renew efforts to secure repayment of the remaining debt owed to counties for services already rendered due to new or expanded program or service mandates. The previously secured reimbursement for pre-2004 mandated services still leaves approximately \$1.1 billion in unpaid state mandate debt for local agencies statewide.

Furthermore, CSAC will actively work with the Administration and local government stakeholders to review the current mandate reimbursement system and identify potential alternatives to establish greater payment security and reduce the potential for payment

backlogs on services already rendered. This may include streamlining the approval of reasonable reimbursement methodologies and seeking legislatively-determined reimbursement status, amongst other solutions.

Local Tax Authority Protection and Opportunities for New Revenue. As in previous years, numerous efforts will be made in the Legislature to create tax carve-outs that undermine important revenue streams for counties including property tax and sales and use tax exemptions. A slowing economy can, unfortunately, intensify these efforts especially for proposals that benefit seniors and others living on fixed incomes. In addition, different rules may be sought to give special treatment for online retailers as it relates to transient occupancy tax remittance and remote sales. CSAC will advocate for the protection of current tax revenue streams, including the state sales tax rate portion dedicated to county public safety and health services.

Furthermore, CSAC will engage in the developing dialogue regarding the state's tax system with legislators, Administration, State Controller, Board of Equalization, State Treasurer, and third party stakeholders in an effort to ensure that local revenue authority adequately reflects county service responsibilities under any reform proposal.

Elections Administration Investment and One-Time Funding. The 2016 election cycle was unlike any other in recent history with surging voter registration and dozens of state and local ballot measures before voters. Budget trailer bill AB 120 (2016) provided a one-time allocation to counties for elections administration for the June primaries given the competing demand to verify signatures on initiative petitions at the same time. Roughly \$16 million was appropriated but counties reported over \$38 million worth of requests for permitted activities. Given the attention to elections administration in this unprecedented election cycle, there may be a narrow window of opportunity to request additional one-time funding pursuant to conversations in the Budget Committees when AB 120 as passed. Attention will also be given to the potential chain of special elections called to fill various state and federal vacancies resulting from the new Administration or successful bids for new seats by current office holders.

Secretary of State Alex Padilla is also continuing to champion a statewide investment in county elections systems and technology. CSAC will work through our partnership with the CACEO elections officials to seek an investment to ensure current equipment and modern methods are available for elections administration through the next decade.

On-Schedule Redevelopment Agency Dissolution. Counties are key players in the ongoing dissolution of community redevelopment agencies (RDA). CSAC is committed to assisting counties in their multiple roles as successor agency, oversight board participants and administrators, tax administrators, and property tax increment recipients to ensure consistent and timely communication and coordination among the counties, local stakeholders, and the State. This year will be important as oversight board consolidations take place in preparation for the 2018 deadline.

Broadband Access and Adoption. There have been recent and increasing legislative and regulatory actions related to broadband infrastructure development, funding resources, and definition of this technology. CSAC will continue to advocate for policies

that recognize the diversity of county resources and needs to maximize economic development, service delivery and future investment opportunities in all 58 counties in the promotion of broadband access and adoption.

Remote Sales Tax Legislation. (Federal) CSAC has endorsed the Marketplace Fairness Act (S 698), which would, among other things, give states the ability to collect sales taxes from out-of-state Internet retailers with the tax based on the final destination of the purchase. There are currently several competing proposals that offer differing approaches to the issue of how states would be allowed to assess sales and use taxes, with varying levels of benefits and harm to local agencies.

Federal Aviation Administration (FAA) Ruling on Aviation Fuel Taxes. (Federal) Congress did not approve legislation in 2016 to reverse a recent FAA ruling that will negatively impact certain self-help counties. Under the FAA's ruling, beginning in 2017 state and local governments will be required to spend the proceeds of any aviation-related tax – those derived from excise taxes or local voter-approved sales taxes – on airport uses only. The ruling conflicts with current practices whereby some states and localities spend such proceeds on a number of non-aviation-related governmental functions (including roads, schools, public safety, and the like) and is estimated to translate into a loss of over \$100 million for the State of California and its local governments. Looking ahead, CSAC will continue to work with congressional supporters in an effort to build momentum for an amendment to the next FAA policy rewrite that would reverse or modify the agency's directive. Securing such an amendment is expected to be a significant challenge, however, as the nation's airlines continue to oppose legislative efforts to change the ruling.

2017 Sponsored Bill Proposals
Attachment Nine
Memo on Sponsored Bill Proposals



November 16, 2016

To: CSAC Government Finance and Administration Policy Committee

From: Dorothy Johnson Holzem, Legislative Representative
Betsy Hammer, Legislative Analyst

Re: **2017 Sponsored Bill Proposals – ACTION ITEM**

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Recommendation. Staff recommends the Government Finance and Administration Committee approves CSAC sponsoring (or co-sponsoring) two legislative proposals related to parcel taxes and sample ballot requirements.

Background. As part of CSAC’s advocacy efforts, sponsored bills can help to directly address a pressing need or limit potential harm due to current statute. The two proposals offered for consideration by the Committee at the December meeting are more technical in nature and seek to align existing statutes with current practices and also limit unintended consequences of poorly drafted legislation that will take effect next year.

The fact sheets (attached) provide further description of the issue and policy considerations for each of the proposed bills.

Action Requested. Staff requests approval for each of these bills to be pursued as potential sponsored or co-sponsored legislation.

Attachments.

- 1) Fact Sheet on proposed Transportation Tax Sample Ballot Simplification
- 2) Public Utility Code Section
- 3) Fact Sheet on proposed Parcel Tax Notification Implementation Clean-Up
- 4) Assembly Bill 2476 (Daly, 2016; As Chaptered)

Contact. Please contact Dorothy Johnson Holzem at 916-650-8133 or dholzem@counties.org

2017 Sponsored Bill Proposals
Attachment Ten
Simplified Sample Ballot Measure Language for Transportation Tax Proposals

Simplified Sample Ballot Measure Language for Transportation Tax Proposals
Proposed 2017-18 State Legislation

Background

California currently has 20 “self-help” counties – counties and their cities that have passed special local tax measures dedicated to transportation purposes. Over 80% of the state’s population lives within a self-help county. On an annual basis, these local transportation tax measures generate over \$3 billion annually for critical infrastructure including state highways, local streets and roads, bridges, transit, and bicycle and pedestrian improvements. Self-help measures are a significant and important part of the statewide transportation funding structure. This November, 14 self-help counties asked voters for approval of a transportation tax: seven counties with existing tax rates and seven counties with new local sales tax measures – also called “aspiring counties.”

Issue

Current Public Utilities Code requires proposed local transportation taxes (a transaction and use tax) to include several pieces of information in the sample ballots provided to voters. In addition to the full language of the proposed tax, the sample ballot must also include the full language of the county transportation expenditure plan. In some instances, this can be 30 pages long with printing costs exceeding \$100,00 dollars for a single tax proposal.

Current law also provides that counties may recoup costs from the proceeds of a successfully passed tax. However, if the tax measure fails to earn voter approval than the cost burden falls back to the county general fund. While cost savings related to reduced printing costs could be beneficial to all jurisdictions, this is of particular interest to the aspiring counties without an existing self-help tax measure to recoup the election costs should measures be unsuccessful. For them, cost savings related to printing costs for local transportation tax initiatives can be put to use on actual transportation projects.

Statewide, cities and counties are facing a \$78 billion funding shortfall to just maintain the existing local street and road system. The State faces a \$59 billion backlog on the highway system. These shortfalls don’t even begin to address critical capital projects or transit and active transportation needs that reduce congestion and meet greenhouse gas emissions reductions goals. With such significant needs, every penny helps.

This proposal seeks to provide flexibility to individual jurisdictions with respect to how to disseminate transportation tax expenditure plans. Self-help and aspiring counties conduct extensive public outreach in order to develop an expenditure plan that best reflects a community’s transportation funding priorities and objectives. Moreover, local transportation tax measures have extensive accountability provisions built into them and significant oversight by local elected officials.

Many counties may in fact still choose to print the entire expenditure plan. However, elections cost pressures for counties are growing significantly. While current legislative reform efforts are helpful they do not fully address major burdens facing counties, as the administrator of all local, state and federal elections in California, for which they receive no state funding.

- As of 2008, the state stopped providing reimbursement to counties for the conduct of special elections for state legislative or Congressional vacancies. Earlier this year, a special election for a single legislative seat cost a county over \$500,000.
- Voting equipment and systems are rapidly aging and nearing the end of their useful shelf-life. Major investments will be needed to support elections for the next 10 – 20 years.
- Suspended state mandates critical to open, accessible elections has resulted in over \$80 million backlog in payments to counties.

Solution

Allow county transportation tax expenditure plans to be printed in full in either:

- 1) the sample ballot, or;
- 2) on the transportation authority's website with free copies mailed upon request to save transportation authorities and county general funds millions of dollars in printing costs.

This allows an alternative means to provide full information to voters on a proposed transportation tax that reflects modern communication tools and common practices for retrieving information without leaving behind more traditional means of information distribution to voters.

Contact

Dorothy Johnson Holzem, Legislative Representative, California State Association of Counties
dholzem@counties.org; (916) 650-8133

2017 Sponsored Bill Proposals
Attachment Eleven
PUC Section Language

State of California

PUBLIC UTILITIES CODE

Section 180203

180203. (a) The county shall conduct the special election called by the board of supervisors pursuant to Section 180201. If the measure is approved, the authority shall reimburse the county for its cost in conducting the special election.

(b) The special election shall be called and conducted in the same manner as provided by law for the conduct of special elections by a county.

(c) The sample ballot to be mailed to the voters, pursuant to Section 13303 of the Elections Code, shall be the full proposition, as set forth in the ordinance calling the election, and the voter information handbook shall include the entire adopted county transportation expenditure plan.

(Amended by Stats. 1994, Ch. 923, Sec. 215. Effective January 1, 1995.)

2017 Sponsored Bill Proposals
Attachment Twelve
Parcel Tax Notification Law Technical Corrections

Parcel Tax Notification Law Technical Corrections Proposed 2017-18 State Legislation

Background

Assembly Bill 2476 (Daly; 2016) takes effect January 1, 2017, and requires that local agencies notify property owners who do not live in the applicable jurisdiction of any new parcel tax or rate, following voter approval. Specifically, the property owners must be notified of the new rate, the method and frequency of parcel tax collection, and the contact information from where one can receive additional information about the parcel tax. The notification must be sent by mail in the format set forth in statute. Local agencies may recover reasonable costs of the notice from the proceeds of the parcel tax.

Issue

AB 2476 creates ambiguity for local agency implementation as written. Without the changes set forth in the proposed legislation, there could be uneven implementation, unnecessary administrative work and wasted resources, and confusion for local agencies and property owners. (In the 2016 General Election, there are over 60 parcel taxes being considered by voters statewide). The California State Association of Counties, California Special Districts Association and the California State Association of County Auditors requested a veto of AB 2476 citing these issues when the bill was sent to the Governor's desk.

Solution

The following changes will help local agencies implement the parcel tax notification rules with greater uniformity and without weakening the intent of the original legislation. Technical clean-up now could also reduce confusion for property owners with property in multiple jurisdictions and help limit possible administrative work for local agencies. The changes would include:

- References to "owner of the parcel" changed to "assessee" to clarify tax obligations and liability and conform to existing Revenue and Taxation Code;
- Reference to "the legislative body" changed to "the local agency" since the required administrative functions in AB 2476 do not regularly fall to a governing board;
- The definition of "parcel tax" would more clearly encompass only those special tax measures subject to two-thirds voter approval, as intended by the author; and
- The definition of parcel tax would also be adjusted to reflect a tax that "may be" (rather than "is") collected through the annual property tax bill. This is because cities, special districts, and schools have the authority to collect parcel taxes independently from the county in some circumstances.

Contact

Dorothy Johnson Holzem, Legislative Representative, California State Association of Counties
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2017 Sponsored Bill Proposals
Attachment Thirteen
AB 2476 as Chaptered

Assembly Bill No. 2476

CHAPTER 269

An act to add Chapter 8.5 (commencing with Section 54930) to Part 1 of Division 2 of Title 5 of the Government Code, relating to local governments.

[Approved by Governor September 9, 2016. Filed with
Secretary of State September 9, 2016.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2476, Daly. Local governments: parcel taxes: notice.

Existing law authorizes cities, counties, and special districts to impose a parcel tax or property-related fee for specified purposes.

This bill would require the legislative body of a local agency, as defined, to provide notice of a new parcel tax to the owner of a parcel affected by the tax, if that owner does not reside within the jurisdictional boundaries of the taxing entity. This bill would require the notice to include specified information and to be provided to the property owner in a specified manner. This bill would provide that the local agency may recover the reasonable costs of the notice from the proceeds of the parcel tax. By imposing new duties upon local county officials, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Chapter 8.5 (commencing with Section 54930) is added to Part 1 of Division 2 of Title 5 of the Government Code, to read:

CHAPTER 8.5. PARCEL TAX NOTICES

54930. (a) The legislative body of a local agency shall provide notice of a new parcel tax to an owner of a parcel affected by the tax, if that owner does not reside within the jurisdictional boundaries of the taxing entity.

(b) For purposes of this section:

(1) "Local agency" means any city, county, school district, or special district authorized to impose a parcel tax.

(2) "Parcel tax" means a tax levied by a local agency upon any parcel of property identified using the assessor's parcel number system, or upon any

person as an incident of property ownership pursuant to Section 4 of Article XIII A of the California Constitution, that is collected via the annual property tax bill.

(c) The notice shall include, but is not limited to, all of the following information:

(1) The amount or rate of the parcel tax in sufficient detail to allow each property owner to calculate the amount of the tax to be levied against the owner's property.

(2) The method and frequency for collecting the parcel tax, and the duration of time during which the parcel tax will be imposed.

(3) The telephone number and address of an individual, office, or organization that interested persons may contact to receive additional information about the parcel tax.

(d) The notice shall be accomplished through a mailing, postage prepaid, in the United States mail and shall be deemed given when so deposited. The notice shall be mailed to a property owner, if that owner does not reside within the jurisdictional boundaries of the taxing entity subject to the new tax, whose name and address appears on the last equalized county assessment roll or the State Board of Equalization assessment roll, as applicable. The notice shall be in at least 10-point type, and shall be in one of the following forms:

(1) An envelope or mailing which shall include the name of the local agency and the return address of the sender on the cover.

(2) A postcard, which shall include the name of the local agency and the return address of the sender on the front, and include the following information on the back in this format:

Dear Property Owner:
The local agency named on the front of this postcard imposed a parcel tax.
The parcel tax will be:
1. Levied at a rate of _____ [Amount or Rate of the Tax]
2. Collected _____ [Frequency and Method of Collection]
3. Levied _____ [Specify number of years or if indefinitely]
If you have any questions about the tax, please contact:
_____ [Name and Telephone Number]
_____ [Address]

[Email Address or Website Address]

(e) The local agency may recover the reasonable costs of the notice required by this section from the proceeds of the parcel tax. The costs recovered for these purposes, whether recovered pursuant to this subdivision or any other provision of law, shall not exceed the reasonable costs of preparing and mailing the notice.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency because, in that regard, this act provides for reimbursement to a local agency in the form of additional revenues from the proceeds of a parcel tax that are sufficient in amount to fund the new duties established by this act, within the meaning of Section 17556 of the Government Code.

O

2016 Legislative Session Key Outcomes
Attachment Fourteen
Memo on 2016 Legislative Session Key Outcomes



November 16, 2016

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To: Members, Government Finance and Administration Committee

From: Faith Conley, Legislative Representative
Dorothy Johnson Holzem, Legislative Representative
Betsy Hammer, Legislative Analyst

RE: 2016 Legislative Session Key Outcomes – INFORMATIONAL

The 2016 legislative year included many high-priority bills for the Government Finance and Administration Policy Committee. The Legislative Bulletins provide a summary of final outcomes on individual bills that CSAC legislative representatives advocated for or against. Staff appreciates the comments received from committee members throughout the year that assisted greatly with lobbying efforts.

Attachments.

- 1) Legislative Bulletin – Employee Relations & Administrative Services policy unit
- 2) Legislative Bulletin – Finance & Operations policy unit

Contacts. Please contact Faith Conley (fconley@counties.org or 916/650-8117), Dorothy Johnson Holzem (dholzem@counties.org or 916/650-8133), or Betsy Hammer (bhammer@counties.org or 916/650-8108) for additional information.

2016 Legislative Session Key Outcomes
Attachment Fifteen
Employee Relations and Administrative Services Legislative Bulletin



**Employee Relations & Admin Services
Legislative Bulletin**

2015-16 LEGISLATIVE SESSION

For more information, contact Faith Conley at 916/650-8117 or email fconley@counties.org.

End of Session

Subject Area Key:

- | | |
|---|-------------------------------------|
| BA – Brown Act | O – Other |
| C - Compensation | PRA – Public Records Act |
| CB – Collective Bargaining | PubW – Public Works Projects |
| DA – Disabled Access | PS – Public Safety |
| ER – Employee Rights | PW – Prevailing Wage |
| H – Hospitals | RB – Retirement Benefits |
| HB – Health Benefits | WC – Workers’ Compensation |
| IHSS – In Home Supportive Services | WH – Work Hours |
| Imm – Immigration | Vets – Veterans |

Bill No.	Area	Author	Description	CSAC Position	Status
AB 54	Pub W PW	Olsen	As chaptered: Would require that information about demand letters and complaints related to the Construction-Related Accessibility Standards Compliance Act be submitted to the California Commission on Disability Access in a standard format specified by the commission.	Watch	Chapter No. 872, Statutes of 2016
AB 241	RB	Gordon	As chaptered: would require local public entities to provide names and addresses of retired employees to any organization representing retired employees in a neutral eval process, declaration of fiscal emergency or a bankruptcy proceeding.	Watch	Chapter No. 252, Statutes of 2016
AB 626	O	Chu	As chaptered: would establish a claim resolution process applicable to any claim by a contractor in connection with a public works project.	Watch	Chapter No. 810, Statutes of 2016

AB 779	C	Garcia	As enrolled: would require local agencies to post a link in a conspicuous location on its website to the names, positions, and total compensation (with many specified details) of each elected official within that entity for the previous fiscal year.	Oppose	Vetoed
AB 874	CB	Santiago	As enrolled: would apply the Dills Act to employees of the Judicial Council, with some exceptions.	Watch	Vetoed
AB 1244	WC	Gray	As chaptered: makes updates to the workers' compensation system related to qualified providers and those who are suspended for reasons of felony conviction or misdemeanors involving fraud or abuse.	Support	Chapter No. 852, Statutes of 2016
AB 1546	O	Olsen	As chaptered: would require a study of security features used in vital records, and would authorize the State Registrar to suspend the use of any security feature if necessary. Would authorize local registrars to release registrations of births, deaths, fetal deaths, and marriages to the county recorder within its jurisdiction for purposes of the preparation or maintenance of the indices of the county recorder.	Sponsor	Chapter No. 255, Statutes of 2016
AB 1643	WC	Gonzalez	As enrolled: would prohibit apportionment of permanent disability from being based on pregnancy, menopause, osteoporosis, or carpal tunnel syndrome. The bill would also prohibit apportionment of permanent disability in the case of psychiatric injury occurring on or after January 1, 2017 from being based on psychiatric disability or impairment caused by any of these conditions.	Oppose	Vetoed
AB 1661	O	McCarty	As chaptered: would require local agency officials to receive sexual harassment training and education if the local agency provides any type of compensation, salary, or stipend to those officials; would allow a local agency to require employees to receive sexual harassment training or information.	Watch	Chapter No. 816, Statutes of 2016

AB 1669	O	Hernandez	As chaptered: would add employees of solid waste collection and transportation contractors to the existing law that requires local agencies letting a contract out to bid to give preference to contractors who agree to retain certain employees by the previous contractor; applies to subcontractors.	Oppose	Chapter No. 874, Statutes of 2016
AB 1676	O	Campos	As chaptered: would specify that prior salary cannot be the sole reason for disparity in compensation.	Neutral	Chapter No. 856, Statutes of 2016
AB 1692	RB	Bonilla	As chaptered: would authorize the Contra Costa County BOS to apply certain terms and conditions from CERL to nonsafety officers and employees who are new members subject to the retirement formulas specified in PEPR.A.	Watch	Chapter No. 123, Statutes of 2016
AB 1787	O	Gomez	As chaptered: would require legislative bodies to provide at least twice the allotted time during public comment to a member of the public who utilizes a translator to ensure that non-English speakers receive the opportunity to address the body, unless simultaneous translation equipment is used.	Support	Chapter No. 507, Statutes of 2016
AB 1843	ER	Stone	As chaptered: would prohibit an employer from asking an applicant to disclose information concerning specific juvenile court actions or custodial detentions, or from using this information as a factor in determining any condition of employment.	Watch	Chapter No. 686, Statutes of 2016
AB 1853	RB	Cooper	As enrolled: would authorize any CERL retirement board to elect to be a district. Specifies changes related to county employees who would become retirement system employees.	Oppose	Vetoed
AB 1890	O	Dodd	As enrolled: would require an employer who contracts with the state and is a certain size to submit a description of nondiscrimination program to the Department of Fair Employment and Housing and to submit periodic reports to show compliance.	Watch	Vetoed

AB 1926	PW	Cooper	As chaptered: would require, when a contractor requests the dispatch of an apprentice to perform work on a public works project that the apprentice be paid the prevailing rate for the time spent on a required activity.	Pending	Chapter No. 746, Statutes of 2016
AB 1974	O	Gallagher	As chaptered: would require documents being re-recorded to be executed and acknowledged or verified as new documents, and to contain a notation on the face specifying the reason for the re-recording.	Watch	Chapter No. 406, Statutes of 2016
AB 2086	WC	Cooley	As enrolled: adjusts the definition of who is qualified to serve as a medical evaluator in the workers' compensation system.	Watch	Vetoed
AB 2143	O	Irwin	As chaptered:: would authorize a county recorder to contract with an authorized submitter for the delivery for recording, and return to the part requesting recording, or a digital or digitized electronic record.	Support	Chapter No. 380, Statutes of 2016
AB 2197	ER	Garcia	As enrolled: would delete the existing prohibition on payment of unemployment insurance benefits to certain educational employees.	Watch	Vetoed
AB 2257	BA	Maienschein	As chaptered: would require an online posting of an agenda, as allowed under the Brown Act, to be posted on the local agency's primary website homepage accessible through a prominent, direct link.	Dropped Opp/ Neutral	Chapter No. 265, Statutes of 2016
AB 2272	O	Thurmond	As enrolled: would require the Occupational Safety and Health Standard Board to adopt standards to protect health care personnel and patients from airborne contaminants generated as byproducts during the use of specific devices during surgical, diagnostic, or therapeutic procedures.	Watch	Vetoed

AB 2288	O	Burke	As chaptered: requires the California Workforce Development Board and local boards to ensure pre-apprenticeship training follows Multi-Craft Core Curriculum and that programs and services funded by WIOA include plans to increase the percentage of women in trades.	Watch	Chapter No. 692, Statutes of 2016
AB 2296	O	Low	As chaptered: provides that an electronic signature includes a digital signature under certain provisions of the Government Code and that a digital signature under those provisions is a type of an electronic signature as set forth in the Uniform Electronic Transaction Act.	Watch	Chapter No. 144, Statutes of 2016
AB 2337	ER	Burke	As chaptered: would require employers to inform in writing each employee of his or her rights related to employment protections for victims of domestic violence, sexual assault, or stalking.	Watch	Chapter No. 355, Statutes of 2016
AB 2375	CB	Comm on PERSS	As chaptered: The Public Employees' Retirement System omnibus bill. Would revise definitions related to employment classification, bargaining units, date of hire, and date of retirement to remove redundant language and make technical and style changes. Deletes references to enrolled actuaries for purposes of California Actuarial Advisory Panel.	Watch	Chapter No. 415, Statutes of 2016
AB 2376	RB	Comm on PERSS	As chaptered: revises definitions related to the Los Angeles County retirement system.	Watch	Chapter No. 134, Statutes of 2016
AB 2404	RB	Cooley	As chaptered: would provide that the right of a PERS member to receive a recalculated allowance upon the death of his or her beneficiary only applies to a member who retires on or before 12/31/17.	Watch	Chapter No. 199, Statutes of 2016
AB 2405	ER	Gatto	As amended 5/31/16: would require employers to provide at least 8 hours of PTO for purposes of certain child care of school-related planned absences.	Oppose	Dead
AB 2498	PRA	Bonta	As chaptered: would exempt the names, addresses, and images of victims of human trafficking and their families from disclosure pursuant to the PRA.	Watch	Chapter No. 644, Statutes of 2016

AB 2503	WC	Obernolte	As chaptered: would require a physical providing treatment to an injured worker to send any requests for medical treatment to the claims administrator for the employer, insurer, or other entity as specified by rules.	Pending	Chapter No. 885, Statutes of 2016
AB 2591	O	Dababneh	As chaptered: would reinstate certain exemptions related to electronic records and signatures.	Watch	Chapter No. 617, Statutes of 2016
AB 2611	PRA	Low	As amended 6/22/16: would prohibit a public agency from disclosing a visual or audio recording of the death of a peace officer killed in the line of duty, unless the disclosure is authorized by the peace officer's immediate family, in which case, the bill would require the public agency to disclose the visual or audio recording.	Concerns	Dead
AB 2636	O	Linder	As chaptered: would allow counties the option of accepting electronic knowledge-based authentication to verify the identity of requesters for vital records. If an applicant's identity cannot be established electronically, the applicant would have to include with the request a notarized statement of identity.	Sponsor	Chapter No. 527, Statutes of 2016
AB 2828	O	Chau	As chaptered: would require persons or businesses conducting businesses and any agency that owns or licenses computerized data that includes personal information to disclose a breach of the security of the data to any resident of California whose encrypted personal information as, or is reasonably believed to have been, acquired by an unauthorized person.	Watch	Chapter No. 337, Statutes of 2016
AB 2833	RB	Cooley	As chaptered: would require a public pension or retirement system to require private equity fund managers, partnerships, portfolio companies, and affiliates to make specified disclosures regarding fees and expenses. Public pension or retirement systems would be required to disclose this information at least once annually at a public meeting.	Watch	Chapter No. 361, Statutes of 2016

AB 2835	O	Cooper	As amended 8/19/16: would require state and local agencies to provide mandatory orientations to newly hired public employees within two months of hiring	Oppose	Dead
AB 2853	PRA	Gatto	As chaptered: would authorize a public agency that posts a public record on its website to refer a person who requests to inspect or obtain a copy of that public record to the website where it is posted.	Support	Chapter No. 275, Statutes of 2016
AB 2883	WC	Committee on Insurance	As chaptered: would require the Commission on Health and Safety and Workers' Compensation to conduct, or contract for, a feasibility study regarding the extent to which physicians' requests for authorization of a medical treatment for injured employees may be processed using an entirely paperless system.	Watch	Chapter No. 205, Statutes of 2016
AB 2895	O	Hernandez	As amended 8/2/16: would require employers to keep a complete, updated copy of specific records related to injury prevention programs at worksites and to make them (or a summary) available to any employee upon oral request.	Watch	Dead
SB 24	RB	Hill	As enrolled: authorizes a specific JPA involving the Belmont Fire Protection District, the Estero Municipal Improvement District, and the City of San Mateo to provide employees who are not new members under PEPRA with the defined benefit plan or formula received by those employees from their respective employers, if they are employed by the JPA within 180 days of the city providing for the exercise of a common power to which the employee was associated.	Watch	Chapter No. 531, Statutes of 2016
SB 441	PRA	Wolk	As enrolled: would exempt certain data used by a public agency to identify a vendor or contractor from disclosure, unless the data is used in a public bidding or an audit involving the public agency.	Watch	Chapter No. 477, Statutes of 2016

SB 563	WC	Pan	As amended 6/23/16: prohibits employers or entities conducting utilization review on behalf of employers, from offering or providing any financial incentive to physicians based on the number of modifications, delays, or denials made.	Dropped Opp/ Neutral	Dead
SB 654	ER	Jackson	As enrolled: would prohibit employers from refusing to allow employees to take up to 12 weeks of parental leave to bond with a new child within one year of the child's birth, adoption, or foster care placement. Employers would also be prohibited from refusing to maintain and pay for coverage under a group health plan for employees who take this leave. Only certain types of employees (those with more than 12 months of service to the employer and at least 1,250 hours of service during the previous 12 months).	Oppose	Vetoed
SB 897	WH	Roth	As enrolled: would allow certain employees of local agencies, including police officers, firefighters, and sheriffs, an additional year of a leave of absence without loss of salary when injured by a catastrophic injury at the hands of another.	Oppose	Vetoed
SB 914	WC	Mendoza	As chaptered: would delete the authorization to use the American College of Occupational and Environmental Medicine's Occupational Medicine Practice Guidelines as the standards for independent medical reviews in the case where a treatment or diagnostic service remains disputed after a third opinion.	Watch	Chapter No. 84, Statutes of 2016
SB 985	WH	Berryhill	As amended 4/14/16: would establish an overtime exemption for an employee-selected flex schedule. Would allow for workdays up to 10 hours per day within a 40-hour workweek. The employer would be obligated to pay overtime for hours over 40 in one workweek or over 10 hours in one workday, whichever is greater.	Watch	Dead

SB 1001	Imm	Mitchell	As chaptered: would make it an unlawful employment practice for an employer to request more or different documents than are required under federal law, or to refuse to honor documents that on their face reasonably genuine, related to status verification. Applicants or employees could bring civil action.	Watch	Chapter No. 782, Statutes of 2016
SB 1063	ER	Hall	As chaptered: would expand the prohibition on paying employees at wage rates less than the rates paid to employees of the opposite sex for substantially similar work to apply to rates paid to employees of different races or ethnicity.	Oppose	Chapter No. 866, Statutes of 2016
SB 1160	WC	Mendoza	As chaptered: would require new regulations for utilization review in the workers' compensation system. Increased penalty assessments for violation of data reporting requirements in the workers' compensation system.	No Position	Chapter No. 868, Statutes of 2016
SB 1162	RB; PS	Berryhill	As enrolled: would authorize the Mammoth Lakes Fire District to transfer available excess assets credited to the miscellaneous member category of the employer account to satisfy unfunded accrued actuarial obligations for its safety plan.	Watch	Vetoed
SB 1175	WC	Mendoza	As chaptered: would require that requests for payment with an itemization of services provided and the charge for each service be submitted to the employer within 12 months of the date of service or within 12 months of the date of discharge for inpatient facility services.	Watch	Chapter No. 214, Statutes of 2016
SB 1200	PS	Jackson	As chaptered: would require the Department of Justice's annual report to the Governor to include information concerning arrests for animal cruelty.	Watch	Chapter No. 237, Statutes of 2016

SB 1203	PS, RB	Hertzberg	As chaptered: would require JPAs to offer defined benefit plans or formulas that are not PEPRAs plans or formulas, provided that the plans or formulas were those the employees receive prior to the creation of the JPA, the employees are not new members under PEPRAs, and they are employed by the authority within 180 days.	Watch	Chapter No. 729, Statutes of 2016
SB 1436	BA	Bates	As chaptered: would require the final action on salaries, salary schedules, or fringe benefits paid to a local agency executive to be announced in oral report during the open meeting in which the final action is to be taken.	Watch	Chapter No. 175, Statutes of 2016

2016 Legislative Session Key Outcomes
Attachment Sixteen
Finance and Operations Legislative Bulletin



Finance and Operations Policy Unit

Legislative Bulletin

2016 Final Update

The following bill matrix reflects advocacy efforts by the Finance and Operations Policy Unit during 2016 legislative year. More information, including position letters and full bill language, is available at www.counties.org/legislative-tracking or please contact Dorothy Johnson Holzem, Legislative Representative, at (916) 650-8133, dholzem@counties.org or Tracy Sullivan, Legislative Analyst, at (916) 327-7500, tsullivan@counties.org.

MEASURE	ISSUE	BRIEF SUMMARY	POSITION
SIGNED			
AB 120 (Comm on Budget)	Elections Funding	Appropriates \$16 million in one-time funding to counties for elections administration duties specifically related to conducting the June 2016 primary as well as ballot measure signature verification for the November 2016 general election. (Chapter 11, Statutes of 2016)	Support
AB 587 (Chau)	Mobilehome Property Tax Liability	Establishes a property tax amnesty program for mobilehome owners who are delinquent on property tax payments and registration. Waives all outstanding property taxes and associated penalties and interest for mobilehome owners missing proper registration, with potential property tax losses in the hundreds of millions. (Chapter 396, Statutes of 2016)	Oppose
AB 1666 (Brough)	Mello-Roos Financial Reports	Requires local agencies with a community facilities district to post certain financial information online, including annual reports requested by eligible property owners, a copy of reports provided to California Debt and Investment Advisory Committee, and the annual parcel tax report provided to the State Controller. CSAC opposed earlier versions that created excessive posting requirements and successfully negotiated the streamlined version. (Chapter 93, Statutes of 2016)	Neutral
AB 2291 (Achadjian)	Partial Payments for Property Taxes	Allows tax collectors to assess a fee to cover the costs of instituting and maintaining a partial payment arrangement, upon approval of the Board. (Chapter 266, Statutes of 2016)	Support
AB 2450 (Achadjian)	Property Tax and Land Valuations	Requires government agencies to provide copies of recorded contracts to county assessors as soon as possible after the date of recordation. Relates to existing law that requires the county assessor to consider the effect of any enforceable restrictions when assessing and valuing land for property tax purposes. (Chapter 300, Statutes of 2016)	Support

AB 2476 (Daly)	Parcel Tax Notification	Requires local agencies to contact out of jurisdiction property owners regarding any parcel tax gaining voter approval. Authorizes cost recovery through proceeds of the parcel tax, diverting revenue intended for infrastructure and services. (Chapter 269, Statutes of 2016)	Oppose
AB 2558 (Steinorth)	Local Campaign Finance	Extends an existing authorization that allows the County of San Bernardino to contract with the FPPC for administration, implementation, and enforcement of a local campaign finance ordinance. (Chapter 202, Statutes of 2016)	Support
AB 2686 (Mullin)	Special Election All-Mailed Ballot Elections	Authorizes an election to be held entirely through vote-by-mail ballots if called to fill a legislative or congressional vacancy through special election, as specified. (Chapter 764, Statutes of 2016)	Support
AB 2801 (Gallagher)	Written Protests for Fees	Requires local agencies to maintain a written protest for a proposed fee or assessment that the local agency receives for at least two years following the hearing date when the protests are considered at public hearing. CSAC opposed earlier versions that created onerous and contradictory steps for record maintenance. (Chapter 248, Statutes of 2016)	Neutral
SB 450 (Allen)	All Vote By Mail Elections	Establishes an optional all vote-by-mail election in participating counties if certain conditions for multiple day vote centers and ballot drop off locations are met in an effort to reduce elections costs and increase voter participation. (Chapter 832, Statutes of 2016)	Support
SB 958 (Lara)	Citizens Redistricting Commission	Mandates establishment of a citizens redistricting commission in Los Angeles County to adjust the boundaries of the supervisorial districts and adopt a redistricting plan. (Chapter 781, Statutes of 2016)	Oppose
SB 971, 972, and 973 (Comm on Gov & Finance)	Validations	Validates the organization, boundaries, acts, proceedings, and bonds of the state government, counties, cities, special districts and school districts, among other public bodies. Retroactively cures minor errors and omissions made by public officials. (Chapters 15, 16, and 17, Statutes of 2016)	Support
SB 974 (Comm on Gov & Finance)	Local Government Omnibus	Annual omnibus bill with multiple non-controversial and technical clean-up issues, such as antiquated gender references or erroneous cross-references to outdated code sections. (Chapter 366, Statutes of 2016)	Support
SB 975 (Comm on Gov &	Property Tax Override Rates	Prohibits property tax increment financing districts from diverting property tax revenues that are derived from a voter-approved override property tax rate. (Chapter 49,	Support

Finance)		Statutes of 2016)	
SB 1029 (Hertzberg)	Debt Issuance Reports	Requires local agencies to report on any new debt issued after 2017 to the State Treasurer’s CDIAC with greater details than captured in existing reports to the State Controller’s Office. CSAC successfully narrowed the bill from prior versions that required reporting on all current debt and did not coincide with other reporting deadlines. CSAC also secured county involvement in the development of the new reporting methodology. (Chapter 307, Statutes of 2016)	Concerns
SB 1315 (Bates)	Budget Adoption	Provides additional options in the county budget adoption process to expedite budget approval between various budget iterations. (Chapter 56, Statutes of 2016)	Support
VETOED			
AB 717 (Gonzalez)	Sales Tax Exemption On Diapers	Would have provided a state and local sales and use tax exemption on toddler-sized diapers, resulting in a total loss of over \$30 million annually for state and local agencies.	Oppose Unless Amended
AB 1561 (Garcia)	Sales Tax Exemption on Feminine Hygiene Products	Would have exempted sanitary napkins and tampons from state and local sales and use taxes, resulting in an annual loss of \$20 million statewide.	Oppose Unless Amended
AB 1952 (Gordon)	Property Taxes	Would have provided funding for the Property Tax Postponement (PTP) program that assists senior citizens and people with disabilities meet their property tax payments. Would have authorized the use of the General Fund when demand for the program exceeds available funds, and authorize unused funds to be transferred back to the General Fund at times when demand for the program is lower, with review by the Department of Finance.	Support
AB 2691 (Holden)	Property Tax Payment Programs	Would have established a county option for seniors and persons with a disability to pay property taxes through a monthly installment plan if approved by the Board of Supervisors.	Watch
SB 49 (Runner)	Special Elections	Would have allowed the Governor to declare a candidate as “elected” prior to the election date if only one candidate had qualified to be placed on the official ballot for a primary or general special election to save elections costs for counties.	Support

SB 817 (Roth)	VLF Fee Adjustments	Would have created a "Vehicle License Fee Adjustment Amount" for California's newest cities that were impacted by the 2011 vehicle license fee (VLF) swap out to restore anticipated general fund revenue.	Support
SB 898 (Nguyen)	Sales Tax Exemption for Animal Blood	Would have provided a state and local sales and use tax exemption on animal blood provided by non-profit blood banks resulting in a total loss of nearly \$160,000 annually for state and local agencies with a harmful precedent of state legislation for tax exemptions.	Oppose Unless Amended
FAILED PASSAGE (In Committee or from Floor)			
AB 1562 (Kim)	Sales Tax Exemption on Disaster Preparedness Products	Would have provided a state and local sales and use tax exemption on disaster preparedness products, as specified.	Oppose Unless Amended
AB 1758 (Stone)	Broadband	Would have provided investment for broadband infrastructure through the California Advances Services Fund, and set new goals for broadband deployment.	Support
AB 2277 (Melendez)	VLF Adjustments	Would have created a "vehicle license fee adjustment amount" for California's newest cities that were negatively impacted by the 2011 vehicle license fee swap out to restore anticipated general fund revenue.	Support
AB 2314 (Bigelow)	Disaster Relief for Calaveras County Wildfire	Would have allocated existing funding to Calaveras County to help make up for lost property tax revenue resulting from reassessments for damages following the September 2015 fires. (Similar provisions were included in the adopted 2016-17 Budget).	Support
AB 2321 (Rodriguez)	Use Tax on Vehicle Transfers	Would have updated systems to address allocations of local sales and use taxes following a transaction of vehicles or vessels between private parties for more equitable allocation to jurisdictions where the sale occurs.	Support
AB 2395 (Low)	Telcomm/ Broadband	Would have set requirements and standards for telephone corporations transitioning from traditional systems to Internet Protocol (IP) systems without guaranteeing the replacement system provided adequate service speeds, life line rates or other necessary protections for rural and underserved communities.	Oppose
AB 2668 and ACA 12 (Mullin)	Base Year Value Transfers	Would have expanded the existing program of base year value transfers for seniors and persons with a disability to apply to residences of greater assessed value, rather than just the current equal or lesser value, expanding upon "Prop 60" and "Prop 90" programs.	Oppose Unless Amended

AB 2673 (Harper)	Sales Tax Exemption for Hydrogen Refueling Stations	Would have provided a state and local sales and use tax exemption on hydrogen refueling stations.	Oppose Unless Amended
SB 133 (McGuire)	Transient Occupancy Taxes	Would have allowed participating online vacation housing platforms to collect and remit the amount of transient occupancy taxes levied on units offered for tourist or transient use and only submit data to the State Controller's Office in lieu of the city or county.	Oppose
SB 434 (Allen)	Taxation of Manufactured Housing	Would have allowed a county assessor to switch a mobile home from the vehicle license fee system to property taxation if improvements to the mobile home have left only the original chassis in place.	Support
AB 2523 (Mullin)	Local Campaign Contribution Limit	Would have created statewide campaign contribution rules on local candidates for county, city, special district and school district office to match the limit on contributions to a candidate for statewide elective office, unless the local agency has adopted their own campaign contribution ordinance. CSAC removed opposition following amendments that allowed local ordinances to stand in place of the statewide contribution limits and reduced county enforcement responsibilities.	Neutral
AB 2622 (Nazarian)	Property Tax Assessments on Aircrafts	Would have extended the sunset date on an existing county-lead system to assess the fair market value of aircraft by one year.	Support
SB 378 and SCA 9 (Beall)	Base Year Value Transfers	Would have expanded the existing program of base year value transfers for seniors and persons with a disability to apply to residences of greater assessed value, rather than just the current equal or lesser value, expanding upon "Prop 60" and "Prop 90" programs.	Oppose Unless Amended
SB 967 (Vidak)	Special Elections	Would have required the state to reimburse counties for the costs of administering special elections for state legislative or Congressional vacancies.	Support
SB 987 (McGuire)	Medical Marijuana Taxation Act	Would have imposed a 15% excise tax on the consumption or use of medical marijuana, unless the non-medicinal marijuana use initiative is passed by voters in November 2016. Revenues would have been directed to grants to local law enforcement, parks, and drug treatment programs in addition to state General Fund support.	Support
SB 1102 (McGuire)	Transient Occupancy Taxes	Would have required platforms that offer units for tourist or transient use to assume the responsibility of collecting and remitting transient occupancy taxes and to remit the amount.	Oppose

SB 1329 (Hertzberg)	Property Tax Assessments for Aircraft	Would have delayed the sunset on county-lead system for air carrier property assessments. This measure was a placeholder for negotiations between the airline industry and county assessors.	Watch
SCA 8 (Mendoza)	County Governance	Would have placed a statewide ballot measure before voters to expand county boards of supervisors from five to seven or more districts if they have a population greater than 3 million at the time of the 2020 census or later, regardless of charter status. Would have capped spending for supervisor staff and resources at 2020 budget levels. Sought to override existing county charter amendment process.	Oppose Unless Amended

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