

GOVERNANCE, TRANSPARENCY AND LABOR RELATIONS POLICY COMMITTEE HIGHLIGHTS

Thursday, January 18, 2018

Sacramento Convention Center, 1400 J Street, Room 203, Sacramento

ATTENDANCE

Members: Sara Lamnin (Chair), Richard Constantine (V.Chair), Janet Abelson, Stephany Aguilar, Michael Allawos, Alison Alpert, Jan Arbuckle, Bill Baber, Melanie Bagby, John Binaski, Edi Birsan, Matthew Bronson, Cal Campbell, JoAnne Cousino, Elisa Cox, Raymond Eddy, Dominic Farinha, Jeanette Fritzky, Leon Garcia, Blanca Gomez, Peter Grant, Tamika Greenwood, Mike Healy, Randi Johl, Brian Johsz, Bill Kampe, Jelani Killings, John Leonard, Joseph Lillio, Polly Low, Frank Luckino, Gordon MacKay, Shelly Masur, Lori Ogorchock, Joy Patterson, La Vonda Pearson, Pam Powell, Maribel Reynosa, Robert Schultz, Reina Schwartz, Emma Sharif, Arne Simonsen, Melissa Stevenson Diaz, Randall Stone, Toni Taber, Jess Talamantes

League Partner: Dustin Reilich

Staff: Dane Hutchings

I. State Budget and Issues Briefing

The January 2018 Policy Committee meetings began with a General Session briefing. League President Rich Garbarino, Council member, City of South San Francisco, gave a brief welcome, which included highlighting the importance of the League's 2018 Strategic Goals, then introduced League Deputy Executive Director/Legislative Director, Dan Carrigg, to discuss state budget and legislative issues.

Mr. Carrigg stated that the state budget revenues continue to be strong and that the Governor plans to allocate additional revenues to fully-fund the state's Rainy Day Reserve fund at \$13.5 billion. Healthy reserves were also good for local government, he said, because it gave the state options during a downturn, rather than attempting to shift funds from local government as it had in the past. Mr. Carrigg then introduced Michael Coleman, the League's Fiscal Policy Advisor, to discuss the Governor's January budget.

Mr. Coleman gave a short PowerPoint presentation on the 2018 January Governor's budget. For more information about the impacts of the budget on cities, please review the League's analysis, and information on Mr. Coleman's website here. Mr. Coleman then gave Dan Carrigg the floor.

Mr. Carrigg briefly discussed the large amount of housing bills passed by the Legislature last year and how if more housing legislation were introduced this year could be difficult for cities to navigate. He also discussed the uncertainty California faces in regards to the President's recent tax reform legislation and plan to open up offshore drilling. Then Mr. Carrigg introduced the League's lobbyists to discuss their respective issue areas big topics. First, he introduced Dane Hutchings, League Legislative Representative, to discuss pensions and other labor and governance issues.

Mr. Hutchings gave an overview of what will be happening on pensions this year. Cities are struggling with increasing costs, and securing additional flexibility for cities is a priority. Additionally, Mr. Hutchings discussed two measures (not in print yet) that could have big effects on cities. The first measure would apply prospective and retroactive joint and several liability to agencies who have entered into a JPA for all retirement related liabilities for any public

retirement system. This measure would not just apply to CalPERS but any county retirement system as well. The second measure would expand the number of days allotted in the safe harbor provision of the California Voting Rights Act to provide cities more time to convert to district-based elections.

Rony Berdugo, League Legislative Representative, discussed how the landmark passage of SB 1 (Beall, 2017) doubles the amount of funding cities receive for road maintenance and rehabilitation projects. He stressed that if the voters repealed SB 1, another funding package would not come together for a long time. He encouraged cities to proactively document and promote their road improvement work as the best way to protect their funding and to join in League efforts to support Proposition 69, the constitutional protections for new transportation revenues, and to participate in efforts to oppose the transportation funding repeal. Additionally, he thanked the Governor for his veto of SB 649 (Hueso) and how the League was taking steps to draft its own proposal on telecommunications deployment. This proposal would help preserve local control, while also providing a streamlined process for cities to roll out wireless “small cell” technology.

Jason Rhine, League Legislative Representative, focused in on the housing affordability and availability challenges throughout the state. Mr. Rhine noted that housing legislation is a high priority for the Legislature and the League this year. He reminded attendees to look through the 2018 Guide to New Housing Law in California, which was provided. Additionally, Mr. Rhine encouraged members to be active in advocating for legislation that will help local governments address their housing challenges while preserving appropriate local control functions. Mr. Rhine discussed SB 827 (Wiener), which would exempt certain housing projects from locally developed and adopted height limitations, densities, parking requirements, and design review standards. Cities were encouraged to submit an opposition letter.

Erin Evans-Fudem, League Legislative Representative, highlighted evolving environmental and community issues that will be big in 2018. With successful reauthorization of the cap-and-trade program last year, monitoring the programs and proposed funding allocations will continue to be a priority. In addition, Ms. Evans-Fudem discussed the importance for cities to engage in discussions about organic waste recycling regulations, disaster relief and wildfire response legislation, as well as offshore drilling, and clean drinking water legislation.

Tim Cromartie, League Legislative Representative, updated members on the continued rollout of cannabis regulations and the different ways cities can stay engaged on this issue. On the topic of public safety, he informed members they should be aware of a ballot initiative, sponsored by the Police Chiefs and the Grocers associations, seeking to amend the list of violent offenses as it relates to the provisions of Proposition 57, which provides for expanded parole considerations and increased rehabilitation programming for non-violent offenders. In addition, cities must stay alert for the drone industry to push for federal preemption in the annual Federal Aviation Administration’s reauthorization bill.

II. League of California Cities Survey Findings

Following the General Briefing for all policy committees, the members of the Revenue and Taxation Committee and the Governance, Transparency and Labor Relations Committee received a special joint briefing on city impacts of pension costs from Mary Beth Redding, Vice President, John Bartel Associates, LLC, based upon their recent analysis of CalPERS data commissioned by the League.

III. Welcome and Introductions

Chair Sara Lamnin welcomed Committee members and provided an introduction.

IV. Public Comment

There was no public comment

V. Overview of Parliamentary Procedure and Roberts Rules

Chair Lamnin stated all should have read the rules and procedures and briefly highlighted some of the key provisions and procedures the committee will follow. This was an informational item presented by the Chair as an agenda attachment.

VI. Committee Orientation

This was an informational item presented by the Chair as an agenda attachment. Staff highlighted that there are quite a few new appointees, the importance of following Roberts Rules of Order, and the importance of committee member involvement. Additionally, staff made themselves available for comments and questions in and outside of committee meetings.

VII. Strategic Goals for 2018

This was an informational item on the League's strategic goals presented by staff as an agenda attachment. Staff explained the collaborative process used to arrive at the goals in a joint meeting of officers and directors of the divisions, departments, diversity caucuses, policy committees and board of directors. Staff also spoke about the 2018 strategic goals and that goal number two is strictly under this committee's purview.

VIII. 2018 Work Program

League staff then gave an overview of the draft 2018 GTLR work plan stating that the goals look consistent with previous years and the ongoing work. The committee motioned to accept the 2018 draft public safety work plan was made and seconded.

Committee Action: MOTION PASSES UNANIMOUS SUPPORT

As suggested by a member of the committee, League staff reviewed the Brown Act. The Chair asked for a subcommittee of interested persons to get together on their own and come back to the chair with a proposal. The Chair asked League staff to follow up with the committee and send an email with listServ info and provide info on how to sign up for CalPERS meeting notices. The League staff also clarified what the role of the CalPERS 'response team' shall be.

Committee Action: MOTION PASSES UNANIMOUS SUPPORT

IX. Legislative Update

League staff explained the bill process reviewing information such as the bill introduction deadline, gut and amended bills, and the politics of positioning on bills.

AB 479 (Gonzalez) Workers' compensation: permanent disability appropriation.

League staff explains what apportionment means and gives an example of someone receiving a knee replacement in high school and then being injured on the job later in life. League staff discusses the sensitivity of the issue with no discussion from the committee.

AB 748 (Ting) Peace officers: video and audio recordings: disclosure.

League staff discussed politics and suggests that there should be a space to meet in the middle so that investigations are not compromised. League staff believes that there will be more body camera bills to come forward this year.

AB 946 (Ting) and AB 1597 (Nazarian)

League staff explains that both bills are dead at this point and are related to divestment.

AB 1250 (Jones-Sawyer) Counties: contracts for personal services.

League staff provided political background and shared that the vehicle will not move forward. However, this bill will likely come back in 2018 or 2019. League staff also discussed the direct nexus with this type of bill and pension liability.

AB 1749 (Daly) Workers' compensation: off-duty peace officer.

League staff provided political background. The committee discussed the scope of the bill and League staff explained that the definition of peace officer in this bill is defined as police officers and sheriff but not fire. League staff and committee discussed what the level of crisis or circumstances are described in the bill and the possibility of a local agency deputizing. Committee directed staff to bring back the bill for position adoption at next policy committee meeting.

SB 562 (Lara) The Healthy California Act.

League staff shared how unrealistic the fiscal impact of this bill is as it relates to the overall state budget and despite the silence of the funding mechanism, this bill will not go away.

2018 Trends:

League staff discussed various pension reform measures and provided background and examples of a JPA in East San Gabriel Valley. League staff explained that labor is sponsoring a bill, which would apply retroactive and prospective joint, and several liabilities to all "originating agencies" of a JPA. AB 1912 which will be sponsored by SEIU states council is still in "spot form" meaning there is no language for the committee to review. This measure will be brought before the committee for a position once substitutive language is in place.

League staff discussed the California Voting Rights Act (CRVA) and various clean up measures since inception in 2002. League staff goes on to say that the CRVA has led to a rash of local government lawsuits and mentions the possibility of legislation that would that could be helpful to cities. Staff notes that the League is in current negotiations with MALDEF and California Common Cause on a measure that would expand the number of days currently allowed in the safe harbor provisions established through (AB 350, Alejo) to allow cities to convert to districts. League staff discusses legislation that would offer a population threshold related to by-district elections.

League staff discussed a potential worker's compensation apportionment that may be in print in the coming weeks.

X. Review of Existing Policy & Guiding Principles

League staff explained the purpose and role that the existing policies and guiding principles play in the League taking action on legislative and regulatory proposals. This document is updated every two years (last edition was in March 2016) to reflect past action in support or opposition of proposed policies.

Committee motion to accept existing policy changes was moved and seconded.

Committee Action: MOTION PASSES, UNANIMOUS SUPPORT

Next Meeting: Thursday, April 12, Sheraton Fairplex Hotel, 601 W. McKinley Avenue, Pomona