

# GOVERNANCE, TRANSPARENCY & LABOR RELATIONS POLICY COMMITTEE HIGHLIGHTS

Thursday, April 12, 2018

Sheraton Fairplex Hotel & Conference Center, 601 West McKinley Avenue, Pomona

## ATTENDANCE

Members: Richard Constantine (V.Chair), Janet Abelson, Michael Allawos, Alison Alpert, Jan Arbuckle, Bill Baber, Melanie Bagby, Edi Birsan, Matthew Bronson, Mark Brower, JoAnne Cousino, Elisa Cox, Raymond Eddy, Dominic Farinha, Jeanette Fritzky, Ron Galperin, Leon Garcia, Blanca Gomez, Jennifer Gomez, Tamika Greenwood, George Harris, Dave Hudson, Randi Johl, Brian Johsz, Bill Kampe, Jelani Killings, John Leonard, Frank Luckino, Shelly Masur, Colleen Nicol, Lori Ogorchock, Alexandra Orogas, La Vonda Pearson, Mary Ann Reiss, Ernie Schmidt, Robert Schultz, Reina Schwartz, Emma Sharif, Corey Sianez, Margaret Silveira, Arne Simonsen, Melissa Stevenson Diaz, Toni Taber, Jess Talamantes

League Partners: Dustin Reilich

Staff: Dane Hutchings

## I. State Budget and Issues Briefing

The April 2018 Policy Committee meetings began with a general session briefing and an introduction from Rich Garbarino, League President, Council Member, South San Francisco. President Gabarino gave a brief welcome highlighting the importance of the League's 2018 Strategic goals and thanking everyone for their attendance. He then introduced League Deputy Executive Director/Legislative Director, Dan Carrigg, to discuss state budget and legislative issues.

Mr. Carrigg and Michael Coleman, the League's Fiscal Policy Advisor, provided an update on the Governor's budget. Mr. Coleman gave a brief presentation regarding the makeup of California's budget and discussed the projected surplus of an estimated \$6 billion.

Mr. Carrigg stated that the Governor's first commitment with additional funds is to fill California's 'Rainy Day' reserve fund to its constitutional limit. With several billion more in additional funds available, in addition to supporting additional funding to address homelessness, the League is making three budget requests: \$100 million for disaster equipment pre-positioning; \$100 million for the Transformative Climate Communities program; and \$100 million for organic waste recycling infrastructure.

Mr. Carrigg gave an update on the major ballot issues coming up in 2018, including the California Business Roundtable Initiative, which would limit the ability of cities to raise taxes and fees to provide essential services to their communities. He gave a background on the measure and stated that the League and a strong coalition of local government and labor associations are opposed and will continue to fight this initiative. Finally, he gave a brief overview of other initiatives that may be on the ballot ranging from rent control to splitting California into three states. He then introduced League's lobbyists to discuss their respective major issue areas.

Rony Berdugo, Legislative Representative, discussed the League's strategic goal of protecting existing transportation funding for local priorities and the ongoing SB 1 repeal effort. He described the League's campaign to protect SB 1 dollars and presented cities with several ways they can do their part to protect the funding. He also discussed Proposition 69, on the June ballot, which will ensure that the revenue created by SB 1 is constitutionally restricted for transportation

purposes. For cities looking to join in the League's advocacy efforts, both to oppose any gas tax repeal effort and to support the constitutional protections on the June 2018 ballot, please visit <https://fixcaroads.com/> to learn more.

Next, Jason Rhine, Assistant Legislative Director, briefed members on the issues surrounding affordable housing, homelessness, and land use. Mr. Rhine focused on the housing affordability and availability challenges throughout the state. He noted that even with the passage of last year's 15-bill "housing package," housing legislation continues to be a high priority for the Legislature this year.

Mr. Rhine discussed the League's opposition to SB 827 (Wiener), which would exempt certain housing projects from locally developed and adopted height limitations, densities, parking requirements, and design review standards. He also discussed the large number of bills introduced this year that touch on nearly every aspect of the current housing law. Also outlined were: HCD's projected milestones for SB 2 and the revenue that it will generate, homelessness funding, the Veterans and Affordable Housing Bond Act of 2018 and No Place Like Home funding. Mr. Rhine went on to discuss the Joint Task Force Report on Homelessness and its findings. The report can be found here: [Homelessness Task Force Report - Tools and Resources for Cities and Counties](#)

Dane Hutchings, Legislative Representative, provided an update on pensions and other labor and governance issues. He gave an overview of what will be happening on pensions this year and referenced the League's [Pension Survey Report](#). Mr. Hutchings stressed that cities are struggling with increasing costs and securing additional flexibility. He described the reality of attempting to find a solution to the pension issue in Sacramento and explained the League's strategy. Additionally, Mr. Hutchings discussed the League's opposition to AB 1912 (Rodriguez), which 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. Mr. Hutchings also briefly described a CalPERS divestment bill.

Erin Evans-Fudem, Legislative Representative, highlighted evolving environmental and community issues. She discussed the importance for cities to engage in discussions about several issues including organic waste recycling regulations, disaster relief and wildfire response legislation, offshore drilling, and clean drinking water legislation. Specifically, she discussed Propositions 68 and 72, which are on the June ballot. Proposition 68 is the park and water bond which will bring more funding to maintain parks and protect water storage and infrastructure. Proposition 72 would give a tax exemption to those who install a rainwater capture system on their property. She also elaborated on the League's several budget requests: \$100 million for fire prevention; \$100 million for waste diversion; and \$100 million for the Transformative Climate Communities program.

With the current absence of a public safety legislative representative, Dan Carrigg provided an update on public safety and revenue and taxation. Mr. Carrigg gave a brief update on the public safety initiative sponsored by the California Police Chiefs Association and the Grocers Association that attempts to address issues of chronic retail theft and violent crime. Having initially thought that the amount of cannabis legislation would slow down after last year, he reported that there are a large number of bills introduced attempting to change laws surrounding cannabis. He also briefly touched on drones as an emerging policy area.

Mr. Carrigg continued his presentation on revenue and taxation and an update regarding some important initiatives that may make their way onto the November ballot. He gave an update regarding tax increment tools and redevelopment. Mr. Carrigg went on to describe the various tools available to cities and the potential for redevelopment to come back. The League will continue working with Legislators to continue to expand the options for local agencies. He briefly discussed legislation regarding annexations and incorporations.

## **II. Welcome and Introductions**

In the absence of Chair Sara Lamnin (Councilmember; Hayward), Vice Chair Rich Constantine (Councilmember; Morgan Hill) welcomed the committee to the second committee meeting of the year and expressed gratitude to each member for their service to the cities of California and the League of California Cities. Each member was invited to introduce himself or herself. The committee was debriefed on the meeting agenda to prepare them for the lengthy legislative agenda.

## **III. Public Comment**

No Public Comment

## **IV. GTLR Work Plan and Strategic Goal Update**

Staff gave an update of work plan goal regarding rising pension and OPEB costs. Staff updated the committee on the status of the response team and the plan that will be rolled out throughout the year. Staff explained to the committee that the 20-member volunteer response team had a conference call outlining the plan and explaining how to use their tool kit. The toolkit includes tools to assist them draft op-eds and better demonstrate to the public and Legislators about the rising cost of pensions for cities. The goal of the group is to educate the public and engage with legislators to show that there is a significant problem.

## **V. 2018 Legislative Agenda**

Staff gives background information on the legislative trends regarding sexual harassment prevention and response. This preface includes reference to the #METOO movement and legislators resigning. The League does have some standing policy regarding ethics and transparency standards. The standing policy could be interpreted to settle some of these measures but given the climate, staff brought these bills before the committee. There is some sense of urgency in taking a position on these bills in that once a package of bills regarding sexual harassment prevention and response is agreed upon; it is going to move very quickly through the Legislature.

## **VI. Legislative Update**

### **Sexual Harassment Prevention and Response**

**[AB 1750 \(McCarty\)](#) Elected officials: sexual harassment settlement agreements: liability.**

The committee entered into a lengthy discussion regarding the bill. League staff clarifies that the League represents not only elected officials but staff and the city as well.

There was a question of whether or not this bill would be inclusive of all elected officials. League staff clarified that that is the intent of the author.

A member of the committee stated that the standard of proof is not clear and sexual harassment is not clear in definition so there could be issues there.

A member of the committee stated that we want people to run for local office. It is tough in small cities as it is now. This could discourage people from running for office in small cities.

A committee member voices their concern that citizens could use this to sway council members with financial harm.

The Committee moved to take a **Watch** position on the bill and gave direction to work with legislative staff. **3 noes**

**AB 1867 (Reyes) Employment discrimination: sexual harassment: records.**

There was some questions from committee members asking why there ten years was chosen and not another length of time that is in line with other discriminations. Some committee members state that some cities would retain this information anyway.

The Committee moved to **Support** the measure (24 – 16).

**AB 1870 (Reyes) Employment discrimination: unlawful employment practices.**

The committee had a brief discussion regarding the bill. There was a suggestion limiting this bill to just sexual harassment because opening it up to all issues could be problematic. There was also comments suggesting that two years should be sufficient.

The committee moved to take a position of **Oppose Unless Amended** on the measure. **2 noes**

Specifically, the committee gave direction to staff to work with staff to amend the bill to shorten the length of time to two years instead of three and to only apply this to sexual harassment claims.

**AB 2366 (Bonta) Employment: victims of sexual harassment: protections.**

Staff briefly described the bill and had a short discussion. There are 45 different organizations currently opposed to the bill.

The committee voted unanimously to take an **Oppose** position on the measure.

**AB 3081 (Gonzalez-Fletcher) Employment: sexual harassment.**

There was a short discussion. Committee members stated that prohibiting an employer from discriminating or retaliating against an employee because of the employee's status as a victim of sexual harassment gave the victim some protection and liked that part of the bill.

The committee moved to take a position of **Oppose** on the measure. **3 noes**

**SB 820 (Leyva) Settlement agreements: confidentiality.**

Staff gave a brief overview of the bill and had a short discussion. League staff referred to a member survey to use as reference when discussing the bill and what position to take. Cities do use NDAs and eliminating them could drive up costs for cities.

The committee moved to take a position of **Oppose** on the measure. **3 noes**

**SB 1038 (Leyva) California Fair Employment and Housing Act: violations: personal liability.**

Staff gave a brief overview of the bill and added a piece that was not included in the agenda. Under this bill, supervisors and department heads would be held personally liable for FEHA violations. This bill seeks to overturn a Supreme Court case and conflicts with labor code 2102. The committee comments that this bill is an overreach.

The committee moved to take a position of **Oppose** on the measure. **1 no**

**SB 1300 (Jackson) Unlawful employment practices: discrimination and harassment.**

Staff gives a brief overview of the measure. There was then a short discussion, a motion and a second

The committee moved to take a position of **Oppose** on the measure. **1 no**

**SB 1343 (Mitchell) Employers: sexual harassment training: requirements**

This bill does not have a state mandate attached to it. However, the committee noted that there is not a way to track if anyone watched the video and it leaves it to the employer to document that it was watched. The committee also noted that there is a benefit to having a standardized training.

The committee unanimously moved to take a position of **Support** on the measure.

**Employee/Employer Relations**

**AB 2069 (Bonta) Medicinal cannabis: employment discrimination**

The League currently does not have policy relating to marijuana policy and employee relations. League staff recommends an oppose position. Some policy committee members mentioned similar laws passing in other states. Some policy committee members stated that we are still coming to terms with marijuana being legal and agree that it should be treated the same way that prescription drugs are treated. Some say that this bills seems like a starting point that needs some work. Committee members mentioned that true subscription is an issue and that deciphering between medial use and recreational use can be difficult. Committee members and Staff discussed the ease in which a person can get a medical marijuana card as well.

The committee unanimously moved to take a position of **Oppose** on the measure.

**Divestment**

**AB 2571 (Gonzalez Fletcher) Public employee retirement systems: investments: race and gender pay equity.**

League staff states that this bill is a divestment bill and that so far divestments have costed CalPERS 8-10 billion dollars. League staff restates that it is more effective for CalPERS to engage with those they invest with rather than divesting from them.

The committee unanimously moved to take a position of **Oppose** on the measure.

**VII. Legislative Items of Interest**

League staff briefly went over and briefed the committee on a handful of bills on the handout provided to the committee. Specifically, the following bills were discussed: AB 1912, AB 2123, AB 2812, AB 2880, SB 1153, SB 25

**Next Meeting:** Thursday, June 7, Sacramento Convention Center, Sacramento