ATTENDANCE

League Partners: Chris Bout

Staff: Charles Harvey

I. State Budget and General Briefing
Thursday League of CA Cities January 2019 Policy Committee General Session:

The January 2019 Policy Committee meetings began with a General Session briefing. Stacey Mattina, League Housing, Community and Economic Development policy committee chair, welcomed the attendees. She then introduced League President Jan Arbuckle, Council Member, Grass Valley, who thanked them for their efforts and summarized recent meetings by League officers in the Capitol. Carolyn Coleman, League Executive Director also provided brief remarks. The rest of the briefing was then given by the League’s legislative team.

Deputy Executive Director/Legislative Director, Dan Carrigg, gave a brief overview that highlighted the importance of the League’s 2019 Strategic Goals and discussed both the state budget and legislative issues. 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 2019-20 January Governor’s budget. Governor Newsom’s proposed state budget includes $144 billion in General Fund spending and when combined with proposed special fund and bond proceed allocations, totals $209 billion. Mr. Carrigg explained that while general fund expending has increased, Governor Newsom was being fiscally prudent. The budget proposal increased the Rainy Day Reserve to $15.3 billion, paying down a total of $4.1 billion state pension liabilities, allocating an additional $700 million to a social safety net reserves and $2.3 billion in general reserves. Mr. Coleman warned that former Governor Brown warned of a looming recession and that the state needs to be prepared for a downturn. Also discussed was the makeup of the current state Legislature, including the fact that the Democrats now have a “super-duper” majority in both legislative houses. 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 elaborated on some of the line items included in Governor Newsom proposed budget. This included homelessness funding, mental health, and disaster recovery. Mr. Carrigg also explained the new ballot initiative process where ballot measure sponsors can now pull measures from the ballot in exchange for legislative deals. Then Mr. Carrigg introduced the League’s lobbyists to discuss their respective issue areas.
Jason Rhine, League Assistant Legislative Director, focused on the housing affordability and availability challenges throughout the state. Mr. Rhine noted that housing legislation is a high priority for the Governor, Legislature, and the League this year. He noted that if achieved, Governor Newsom’s goal of producing 3.5 million housing units by 2025 would create an unprecedented level of housing production in the state. 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.

Dane Hutchings, League Legislative Representative, briefed members on issues related to governance, transparency, and labor relations. He briefly discussed sexual harassment prevention legislation that would provide rebuttable presumptions and joint-several liability with contractors. Mr. Hutchings also mentioned divestment measures, the Governor’s plan to extend paid family leave, and the pending outcome of the “Cal-Fire” case. He stressed that cities are struggling with increasing costs, and securing additional flexibility for cities is a priority.

Charles Harvey, League Legislative Representative, gave an update on various public safety related issues including cannabis and cannabis deliveries, drones, police use of force, and gun legislation. On the topic of cannabis, Mr. Harvey noted that the recently authorized Bureau of Cannabis Control regulations authorizing cannabis deliveries in any jurisdiction in the state would be harmful to cities and will take effect in the spring. In addition, Mr. Harvey discussed the topic of police use of force and the likely re-introduction of a police use of force bill from last year, which was authored by Assemblymember Weber.

Erin Evans-Fudem, League Legislative Representative, highlighted evolving environmental and community issues that will be big in 2019. Ms. Evans-Fudem discussed the programs and proposed funding allocations in the cap-and-trade program. She explained how those programs would continue to be a priority for cities. 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, the ramifications of the PG&E declared forthcoming bankruptcy, and clean drinking water legislation.

Rony Berdugo, League Legislative Representative, discussed transportation, communications, and public works. Chief among them was the concept Governor Newsom proposed to tie transportation dollars from Senate Bill 1 (Beall, 2017) to housing production. Mr. Berdugo also summarized the recent Federal Communication Commission's ruling that preempts cities’ ability to site telecommunications infrastructure. This proposal is similar to SB 649 (Hueso, 2017) that was vetoed by Governor Brown in 2017 and garnered over 320 opposition letters from cities.

Lastly, Dan Carrigg briefly talked about issues related to revenue and taxation. Mr. Carrigg informed the general session about the Wayfair court case and bills that could affect city sales tax. Mr. Carrigg then adjourned the general session and policy committees commenced.

Friday League of CA Cities January 2019 Policy Committee General Session:

On Friday, Olivia Valentine, Vice Chair, League Revenue and Taxation Policy Committee, gave a brief introduction to the general session. After her welcome, she introduced League President Jan Arbuckle and League Executive Director Carolyn Coleman who welcomed the committee members to the general session. League lobbyists, then gave a condensed version of the following presentation, prior to the arrival of two special guest speakers: Governor Newsom’s Cabinet Secretary Ana Matosantos and Chief Deputy Cabinet Secretary for Executive Branch Operations Jason Elliott.
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Lastly, Dan Carrigg briefly talked about issues related to revenue and taxation. Mr. Carrigg informed the general session about the Wayfair court case and bills that could affect city sales tax. Mr. Carrigg then welcomed Governor Newsom’s Cabinet Secretary Ana Matosantos and Chief Deputy Cabinet Secretary for Executive Branch Operations Jason Elliott to begin their presentation.

Special Presentation and Discussion with Governor’s Representatives:

Ms. Matosantos and Mr. Elliott spoke to the general session about Governor Newsom’s budgetary and legislative priorities this year. Some of these items included, housing, transportation, and healthcare. Ms. Matosanto stressed that the administration wants to work with the League and local governments on a variety of issues. Mr. Elliot talked about his decade of city service in San Francisco and how he wants to work with local governments to implement Governor Newsom’s agenda. Then Ms. Matosantos and Mr. Elliott took questions from the general membership. The questions from the general session ranged, but included disaster and emergency response, implementation of the Wayfair decision, addressing homelessness, and tying transportation dollars to housing production. It was encouraging to hear Ms. Monasatnos say that cities should not be blamed or punished for things they do not control when it comes to the production of housing. After they took numerous questions, the general session was adjourned and policy committees commenced.

II. Welcome and Introductions
Chair Garbarino welcomed the committee to Public Safety and introduced himself and Vice Chair Marty Simonoff. Chair Garbarino then asked the committee to introduce themselves and noted the new members of the committee.

III. Public Comment
No public comment.

IV. Overview of Parliamentary Procedure and Roberts Rules
Chair Garbarino stated all should have read the rules and procedures.

V. Committee Orientation
Chair Garbarino spoke about how this committee operates, including how it makes recommendations to the board.

VI. Review of Existing Policy & Guiding
Chair Garbarino referred the committee members to the League’s Existing Policy Guide and encouraged them to familiarize themselves with the policies.

VII. League Strategic Goals for 2019
The committee reviewed the League’s 2019 Strategic Goals. This year, there are four main strategic goals:
1. Provide Cities Additional Funding and Tools and Preserve Local Authority to Address Housing Production, Affordability and Homelessness Challenges
• Provide additional funding and preserve local mitigation fee authority to ensure cities have sufficient resources to update local plans that reflect community input, improve and expand local infrastructure, address environmental impacts and deliver services to support new housing development
• Restore a robust form of tax increment financing to advance transit-oriented development, build affordable and workforce housing, improve jobs/housing balances, and revitalize local neighborhoods and communities
• Increase resources to provide emergency shelter, alcohol and drug treatment, housing, mental health and other wrap-around services and facilities to assist people of all ages, including seniors, experiencing homelessness
• Provide CEQA streamlining to expedite housing construction
• Ensure the availability of adequate water supplies to support new growth
• Preserve local authority to ensure housing development is consistent with local housing elements, design requirements and other applicable criteria adopted with community input
• Given California’s massive identified deficit in affordable housing, the Legislature and Governor should set aside a substantial amount of the state’s budget surplus to support additional affordable and workforce housing construction and expand skilled workforce training

2. Improve Disaster Preparedness, Recovery and Climate Resiliency
• Provide resources to cities and expand partnerships to better prepare for and recover from wildfires, seismic events, erosion, mudslides and other disasters.
• Improve community preparedness and resiliency to respond to climate-related natural and manmade disasters

3. Promote Sustainability of Public Pension and Retirement Health Benefits
• Continue to work with employee organizations, CalPERS, the Administration and the Legislature to drive public awareness of the fiscal challenges cities face as a direct result of growing unfunded pension liabilities and retirement health benefits
• Work collaboratively to achieve meaningful options and flexibility for cities to address these challenges in order to stabilize local budgets and ensure sufficient funding remains available to provide services to communities

4. Address Public Safety Concerns of California Cities
• Reform recently enacted criminal justice laws — enacted by both statute and initiative — that have eroded public safety protections of California residents through the passage of the Police Chiefs/Grocer’s-sponsored criminal justice reform measure eligible for the November 2020 state ballot, or by equivalent reforms achieved through legislative action
• Protect public safety by reducing access to firearms for the mentally ill
• Protect existing city authority to deliver local emergency services
• Support additional tools and resources to address critical community challenges such as homelessness, mental health, domestic violence, drug rehabilitation, human trafficking and workforce development for ex-offender reentry

VIII. Policy Agenda
• Speaker: Magnus Lofstrom, Policy Director & Senior Fellow, Public Policy Institute of California -- New Insights into California Arrests: Trends, Disparities and County Differences
Magnus Lofstrom presented the Public Policy Institute of California’s recent study on arrest rates in California. The report looked at county-level law enforcement report arrest rates from 1980 and 2016. In his presentation, Mr. Lofstrom explained how this report raises more questions than it
answers because their analysis only shows the data but does not make inferences as to why the data is what it is. According to this report, the arrest rate in California has dropped 58 percent since a peak in 1989 and Arrested individuals tend to be nonwhite, younger, and male. After his presentation, Mr. Lofstrom took questions and comments from the committee. There was a robust discussion over some committee members’ disagreement and dissatisfaction over the presentation and its conclusions. One of the main criticisms was that this report was not explaining the data and potentially misleading people to draw false conclusions.

  Jonathan Feldman gave a brief update to the committee on the status of the California Police Chief Association ballot measure. He explained that their measure is already qualified for the 2020 ballot and they are moving forward with developing a statewide campaign. Mr. Feldman then took a couple questions from committee members.

- **Speaker: Derek Dolfie, Legislative Policy Analyst, League of California Cities – Update on Drones and work performed by the League Drone Task Force**
  Legislative Policy Analyst Derek Dolfie gave a brief update on the activities of League’s Drone Task Force. The Task Force, made up of members from both the Public Safety and Transportation, Communications, and Public Works policy committees, helped draft League drone policy last year and is currently working with Assemblymember Irwin (D- Thousand Oaks) and drone company DJI on a potential 2019 bill. Mr. Dolfie then took several questions from the committee.

IX. **Adoption of 2019 Work Program**
Charles Harvey; League Public Safety Legislative Representative, gave an overview of the public safety work plan to the committee. Committee members asked a couple of clarifying questions then a motion to adopt the 2019 work plan was made and seconded.

Committee Action: **MOTION PASSES, UNANIMOUS SUPPORT**

X. **Legislative Update**
  **Speaker: Charles Harvey, Legislative Representative, League of California Cities**
  Mr. Harvey gave a brief overview of the bills currently introduced in the State Legislature and opined on what the big committee related issues would be in 2019. Among them, Mr. Harvey mentioned potential litigation over the Bureau of Cannabis Control’s newly adopted regulations, police use of force legislation, and a potential bill with the drone industry on a statewide drone framework. Mr. Harvey then took questions from the committee.

Next Meeting: March 28, Hilton Orange County/Costa Mesa, 3050 Bristol Street, Costa Mesa