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MEMORANDUM

To: City of Fullerton

From: Townsend Public Affairs

Date: May 1, 2019

Subject: Monthly Report for the City of Fullerton — April 2019

Legislative Platform	Торіс	Specific Activity	Status
FUNDING			
Support Funding Opportunities Support opportunities that allow the City to compete for its fair share of regional, state and federal funding.	Funding Opportunities	TPA worked with the City's Legislative delegation to provide them with City priority projects to be considered for legislative directed funding.	TPA continues to identify funding opportunities for the City through competitive grants as well as legislative directed funding.
LEGISLATION			
Legislative Action	Pending Legislation	April 26 was the policy committee deadline in Sacramento. TPA delivered various letters of support and opposition and provided testimony on key bills of interest to the City.	TPA has provided timely updates on several state and federal issues of importance to the City including sales tax measures, housing legislation, funding for mental health service and legislation impacting local control such as AB 1273 (Brough).

State Legislative Update

After the Legislature returned from Spring Recess, legislators had only five working days to pass fiscal bills out of their assigned policy committees before the April 26 deadline. This is the first step in the legislative process for bills to either move forward to their appropriations committees or "die" in their house of origin. There have been nearly 3,000 bills introduced in the first year of

this two-year session and only 330 of them failed passage before the April 26 deadline. Those bills are now two-year bills and will be considered again in January 2020.

This policy committee deadline is not only the first time that bills are considered by committees, but also provides the public with their first opportunity to voice their opposition or support for a bill. As a result, Sacramento hosted a myriad of demonstrators and activists in April expressing their opinions on a variety of topics, including police use of force, vaccination exemptions, homelessness, and housing.

Below is a list of key upcoming deadlines in the Legislature:

May 3 – Last day for policy committees to hear and report non-fiscal bills to the floor
May 14 – Governor to release May Revise of the State Budget
May 17 – Last day for fiscal committees to refer bills to the floor
May 31 – Last day for bills to be passed out of their house of origin

Federal Legislative Update

In April, the House and Senate Appropriations Committees focused on collecting appropriations requests from members of Congress in order to inform line item amounts in upcoming appropriations bills. Starting this week, there will be committee markups on the budget which will continue over the next several weeks, followed by bills moving forward to the floor in the coming months.

As April ends, lawmakers returned from a two-week break. When they returned, the House started to take up legislation focused on addressing climate change and the Senate considered more of President Donald Trump's nominations.

Appropriations Markups

House Democrats released their largest fiscal year 2020 domestic spending bill, the Labor-HHS-Education bill, starting a race to finish as much appropriations work as possible by the end of June.

The Labor-HHS-Education bill was the subject of a subcommittee markup on April 30. Subcommittee Chairwoman Rosa DeLauro (D-CT) pushed for a generous top-line allocation for the bill in fiscal year 2020 which totaled \$177.1 billion in fiscal year 2019. The measure is considered one of the most difficult spending bills to negotiate, and funding for child detention facilities under the HHS Office of Refugee Resettlement has been a particularly contentious issue.

House appropriators also plan subcommittee markups the first week of May for their Military Construction-Veterans Affairs and Legislative Branch bills. House appropriators have yet to agree on top-line allocations for all 12 appropriations bills, which they plan to vote on at the first full committee markup in early May.

<u>Census</u>

Last week, the Supreme Court heard oral arguments on the issue of adding a citizenship question to the 2020 Census. Based on the arguments, it seems likely that the Supreme Court will side with the Trump Administration and allow the Census to include a citizenship question.

The Supreme Court is expected to issue a ruling by June. The Census form will be printed soon after.

An analysis by census officials found that nearly 6 percent of households with at least one noncitizen, or roughly 6.5 million people, would go uncounted with a citizenship question on the 2020 Census. It is also predicted to cost California and other states a seat in Congress.

City of Fullerton Legislative Priorities

<u>Housing</u>

Legislative Platform: Policy Statements – California Environmental Quality Act (CEQA)

- Support measures and reforms which streamline the CEQA process for the development of housing and mixed-use infill projects that support transit.
- Support housing measures that promote the development and enhancement of safe and affordable housing and accessible housing within the City for all economic segments of the population, while still retaining local control.

State Housing Update – SB 50

SB 50 (Wiener), this year's comprehensive housing legislation, passed the Senate Governance and Finance Committee on April 24. It will now be considered in the Senate Appropriations Committee prior to the deadline on May 17. After a last-minute compromise between Senator Weiner and the Chair of the Senate Governance and Finance Committee, Senator Mike McGuire, SB 4 (McGuire), considered to be the competing Senate housing measure, has been held in committee.

SB 50 aims to increase housing in high-density transit hubs throughout the state by requiring upzoning and density minimums. The bill was substantially amended last week prior to its approval by the Senate Governance and Finance Committee. Below is a summary of the relevant adopted amendments:

Statewide provisions

- Sensitive communities agreement with housing advocates:
 - Prioritize designated high-segregation, poverty stricken, and low-resource areas.
 - Target communities that have been adversely affected by pollution, as defined by the State Office of Environmental Health Hazard Assessment (OEHHA).
 - Include federally recognized low-income households as defined by the 2019 Housing and Urban (HUD) development qualified census tracts.
 - COGs will run a process to identify sensitive communities with minimum requirements for outreach to disadvantaged populations.
 - Opt in before July 1, 2025 to planning process based on petition with 20% population in census tract signing and specified outreach requirements.

- Changes to ensure offsite affordable housing is actually built, no certificate of occupancy on market rate without building permit, and must be near transit and within half mile of original project site.
- Commitment to include inclusionary percentages that are worked out with housing advocates and agreeable to the Senate Governance and Finance Committee.
- Creation of fourplexes by right (regardless of jurisdiction population) in residential areas on vacant land and allows conversions of existing structures—but no demolition, as follows:
 - 75% of exterior walls must be intact and no more than +15% increase square footage. Must also abide by all other local regulations (setbacks, lot coverage, FAR, height, etc).
 - Must include SB 35 limitations on eligible parcels.
- Exempt very high fire hazard severity zones.
- Exempt coastal zone in cities with populations less than 50,000.
- Restrict bill to infill parcels in coastal zone regardless of jurisdiction size.

In counties over 600,000 population:

- SB 50 zoning provisions regarding rail, ferry, job rich, and bus stop (as modified below):
 - Exempt contributing parcels in legislatively-adopted historic districts in existence as of 2010, and density bonus language going forward
 - Bus stops: Shorten headways to 10 minutes during peak times to qualify. Clarify that it's each line going in each direction. Must have met the headway standard for the past 5 years.
- SB 50 parking (no parking around rail, 0.5 spaces per unit minimum elsewhere)

As SB 50 moves forward, TPA will continue to advocate for increased flexibility and local control so cities can determine the housing options that are best for their communities.

Sober Living Homes

Debate continues on a variety of sober living home topics in the Legislature. While the majority of bills introduced seek to place additional restrictions on sober living homes, comprehensive reform would require amendments to federal law, including the Federal Americans with Disabilities Act (ADA) and the Federal Fair Housing Act (FFHA). Below is an update on the status of relevant sober living homes legislation:

AB 136 (Quirk-Silva) – Alcoholism and drug programs: residential recovery and treatment ombudsperson: pilot program

Would establish the office of the State Ombudsperson for Substance Abuse Recovery and Treatment as a one-year pilot program. The bill would require this established office to work in concert with counties to collaborate in investigations of complaints received by the counties against alcoholism or drug abuse recovery or treatment facilities and recovery residences. **AB 136 was gut and amended to no longer deal with sober living homes.**

AB 919 (Petrie-Norris) – Alcoholism and drug abuse recovery and treatment programs

Current law prohibits specified persons, programs, or entities, such as an alcoholism or drug abuse treatment facility or a person employed by, or working for, an alcohol or other drug program,

from giving or receiving anything of value for the referral of a person who is seeking alcoholism or drug abuse recovery and treatment services. Current law authorizes the State Department of Health Care Services to investigate allegations of violations of those provisions, and authorizes the department to assess various penalties upon a person, program, or entity that is found in violation of those provisions. This bill would require the department to establish an enforcement program focused on the duties to enforce those provisions, and would require staff of the enforcement program to provide the department with analytical support, general oversight and monitoring, and legal guidance regarding those provisions. **AB 919 passed the Assembly Health Committee and has been referred to the Assembly Appropriations Committee.**

AB 920 (Petrie-Norris) - Alcoholism and drug abuse recovery and treatment programs.

Current law requires an alcoholism or drug abuse recovery or treatment facility that serves 6 or fewer persons to be considered a residential use of property and requires that the residents and operators of the facility be considered a family for the purposes of any law or zoning ordinance that relates to the residential use of property. This bill would exempt from those provisions an alcoholism or drug abuse recovery or treatment facility that serves 6 or fewer persons that is engaged in an economic relationship with a treatment provider that owns or operates 2 or more of this type of facility. **AB 920 passed the Assembly Health Committee and is currently on the Senate Floor.**

AB 1779 (Daly) - Recovery residences

AB 1779 would require the California Department of Health Care Services (DHCS) to adopt best practices for operating recovery housing, including suggested minimum standards for operating recovery housing. Currently, the "Best Practices for Operating Recovery Housing (BPORH)" are being developed by United States Department of Health and Human Services. Until the BPORH are distributed, the DHCS will be required to adopt the most recent standards approved by the National Alliance for Recovery Residences (NARR) as the minimum standards necessary for the owners or operators of recovery housing to receive state funding. **AB 1779 passed the Assembly Health Committee and has been referred to the Assembly Appropriations Committee.**

Federal Housing Update – Homelessness

At the end of March and beginning of April, a group of members of Congress led by Senator Dianne Feinstein (D-CA) and Congressman Ted Lieu (D-CA) introduced a long-awaited bill to fight homelessness.

The bill would:

- Authorize \$750 million annually for five years to fund supportive housing models that provide comprehensive services and intensive case management.
- Require a 25 percent match for services and housing from non-federal funds.
- Allow grants to be used for any combination of operations and capital building costs, as long as housing and services requirements are fulfilled.

• Require grantees to track outcomes and report on housing stability and improvements in health and wellbeing, including education of children.

Grant eligibility and requirements:

- Grants may go to local governmental entities consisting of cities, counties, regional collaboratives and tribal governments.
- Services must address issues including mental health; substance use disorders; disabling or other chronic health conditions; educational and job training/employment outcomes; and life skills classes.
- Intensive case management must be provided with a ratio of no greater than 1 case manager to every 20 people served.
- When serving families with children, services available must also include children's behavioral and mental health services, early childhood education, regular and age-appropriate children's programming and activities, child health and nutrition screening and education and parenting classes and support programs.
- Services must also have in place protocol for staff training and best practices to identify and prevent child trafficking, abuse, and neglect.

This bill has been in the works behind the scenes for nearly a year, as members and staff have worked to get buy-in from over 90 individuals and organizations, including mayors, the Child Welfare League of America, Children's Defense Fund, Corporation for Supportive Housing, Mayors and CEOs for U.S. Housing Investment, National Alliance to End Homelessness, and the National Low-Income Housing Coalition.

The coordinated introduction in the House and Senate, the Republican cosponsors, and the influential place Senator Feinstein has on the appropriations committee make this bill one to watch. Any proposal of new investment is difficult to pass Congress, however it is likely that this bill will continue to move.

Parks and Recreations

Legislative Platform: Parks and Recreation

• Promote local agency control over policies that recognize the benefits of parks and recreation facilities.

Proposition 68 – Per Capita Program

Proposition 68, passed by voters in June 2018, provided \$185 million for local park rehabilitation, creation, and improvement grants to local governments on a per capita basis. Each city is guaranteed a minimum of \$200,000 to rehabilitate or improve park access in existing parks. The California Department of Parks and Recreation is administering the Per Capita Program and has recently released draft guidelines to help cities navigate the application and award process. All projects require a 20 percent match unless the applicant serves a severely disadvantaged community, defined has having a median household income of less than 60 percent of the statewide average.

TPA is prepared to assist the City with applying for these funds if needed and will continue to keep the City informed as this program continues to develop.

Police

Legislative Platform: Police

- Support and promote statewide actions to reform POBAR to allow for more transparency.
- Support use of Homeland Security Funds for local public safety agencies.

Police Use of Force Legislation

Two competing bills on police use of force procedures sparked significant debate over the last month. SB 230 (Caballero), initially backed by the police chiefs and unions, would overhaul police training regarding appropriate use of force by emphasizing de-escalation techniques and other use of force alternatives. The bill would also require local agencies to make their use of force policies accessible to the public.

After taking significant amendments in the Senate Public Safety Committee, SB 230 is now legislatively linked to AB 392 (Weber), a bill that would limit the circumstances where police use of deadly force is legal. AB 392 is supported by advocates that are opposed to police use of deadly force, whereas those opposed to the bill have argued that it would make it easier to prosecute police officers for applying deadly force and exposes them to criminal liability.

SB 230 was amended to exclude language pertaining to standards for justified use of deadly force and add provisions that makes SB 230 contingent on the passage of AB 392. In other words, SB 230 does not become law unless AB 392 also becomes law. SB 230 would still make specific changes to police training while AB 392 would make changes to the statewide use of force standards.

According to the Chair of the Public Safety Committee, Nancy Skinner (D-Berkeley), this approach allows for the legislative solution to move forward in both chambers. SB 230 passed the Senate Committee on Public Safety and has now been referred to Appropriations, while AB 392 passed the Assembly Committee on Public Safety and has been referred to the Rules Committee for further consideration.

Administration: Sales Tax

Legislative Platform: Administration

• Support local sales and use tax reform to create an equitable distribution structure that appropriately captures and allocates online sales tax.

Governor Newsom Signs Sales Tax Legislation

On April 25, Governor Newsom signed AB 147 (Burke) into law. This bill was introduced on the heels of a Supreme Court ruling (South Dakota v. Wayfair) that opened the door for states to require out-of-state retailers to collect sales tax on transactions to in-state residents. The bill

requires any retailer that sells more than \$500,000 in goods to register to collect and remit use taxes.

The goal of the legislation is to make tax collection easier for consumers and out-of-state retailers by shifting tax collection responsibilities to the online marketplace. The bill enjoyed unanimous support in both the Assembly and Senate and included an urgency clause which makes the bill effective immediately.

Public Works: Transportation

Legislative Platform: Public Works

- Support increased State and Federal funding of transportation improvements with regional or sub-regional benefits for all modes of transportation.
- Support protection of dedicated transportation-related tax revenues and enhance the ability of local agencies to finance local transportation programs and facilities.

Transportation Corridor Agencies

The Assembly Committee on Local Government heard testimony on AB 1273 (Brough) which would transfer planning authority from the Transportation Corridor Agencies (TCA) to the State by January 1, 2020.

Since 1987, TCA has been the agency responsible for building, maintaining, and improving the toll roads in Orange County. It was formed as a joint powers authority and is governed by a Board of Directors comprised of city and county officials. According to the author, AB 1273 was written to prevent TCA from operating as a planning entity and would make TCA the agency designated for toll road building and maintenance only.

On April 24, the bill was heard in the Assembly Local Government Committee but was not considered for a vote. Assemblymember Brough expressed his willingness to work with TCA and other interested parties on compromise legislation, and Chair Aguiar-Curry (D-Napa) expressed her willingness to reconsider the bill once that happens.

The bill was not voted on, and therefore missed the April 26 committee deadline, which now makes it a two-year bill. TPA will continue to monitor this bill and any related legislative negotiations.

Cannabis/Public Safety

Legislative Platform: Land Use Planning and Housing

• Monitor local, state and federal actions related to medical and recreational marijuana regulatory changes.

Legislative Platform: Police

 Support local control for the regulation of cultivation, storage, manufacture, transport and use of medicinal and recreational marijuana and monitor legislative and administration activity to create a regulatory structure for medical and adult use.

<u>Cannabis</u>

In April, Democratic Senator Elizabeth Warren (D-MA) and Republican Senator Cory Gardner (D-NJ) reintroduced a bill that seeks to ensure U.S. states can determine their own best approach to marijuana, according to the lawmakers' joint statement.

This proposal responds to the 2018 Justice Department withdrawal of guidance directing federal authorities away from marijuana law enforcement in states that have legalized cannabis.

The measure would change the Controlled Substances Act so that - as long as states and tribal nations adhere with a "few basic protections" - its provisions wouldn't apply to people who comply with state marijuana laws. The legislation aims to keep states safe from federal overreach when deciding the best approach to marijuana.

Democratic Representative Earl Blumenauer (D-OR) and Republican Representative Dave Joyce (R-OH) have reintroduced a similar bill in the House.

This is one of several cannabis bills that have been introduced in Congress this year. While these bills have more momentum in the House than in past years, they still face hurdles in the Senate where the Republican controlled chamber has been more reluctant to take on marijuana issues.