

**MEMORANDUM**

**To:** City of Fullerton

**From:** Townsend Public Affairs

**Date:** November 4, 2019

**Subject:** Monthly Report for the City of Fullerton — October 2019

Legislative Platform	Topic	Specific Activity	Status
<b>FUNDING</b>			
Support opportunities that allow the City to compete for its fair share of regional, state and federal funding.	Funding Opportunities	TPA is continuing to work with the City and the various State agencies to secure additional funding for libraries, parks, open spaces, and potential homeless facilities throughout the City. Additionally, TPA has provided State funding updates regarding the recent Public Safety Power Shutoffs and solicited interest from staff regarding an application.	TPA continues to identify funding opportunities for the City through competitive grants as well as legislative directed funding.
<b>LEGISLATION</b>			
Legislative Action	Pending Legislation	TPA continues to provide updates regarding state and federal legislation and recommends action based on the City's legislative platform. Specifically, TPA provided an update regarding federal FCC wireless infrastructure regulations. TPA also prepared a one-pager for the City to provide to residents regarding rent cap legislation.	TPA continues to provide timely updates on state and federal issues of importance to the City.
<b>LEGISLATIVE SUBCOMMITTEE</b>			
Legislative Action	Pending Legislation	TPA continues to coordinate with City staff on the next Legislative Subcommittee meeting and will work with staff on updating the City's Legislative Platform. TPA also provides updates regarding potential 2020 legislation to prepare the Legislative Subcommittee on upcoming state and federal legislative issues.	TPA provides the City with timely updates on several state and federal issues of importance including housing, hazard mitigation, economic development, elections, EMS, and local control.

## **State Legislative Update**

Although the Legislature formally adjourned for the year in September, October was nevertheless a busy month for Legislators and the Newsom Administration. October 13 was the last day for the Governor to sign or veto bills passed by the Legislature, with most signed bills taking effect January 1, 2020. Focus has been on the Governor's office in the past month, as several critical bills were being closely watched until the final hours of October 13.

Of the 1,042 bills that were sent to the Governor's desk, Governor Newsom signed 870 and vetoed 172. This equals a veto rate of 16.5 percent which is approximately the same as Governor Brown's highest veto rate during his total of sixteen years in office. Additionally, there are approximately 1,600 bills that are now two-year bills and will be eligible for consideration when the Legislature reconvenes in January.

Below is a list of upcoming legislative deadlines:

**January 1, 2020** – Most statutes passed in 2019 take effect

**January 6, 2020** – Legislature reconvenes for the 2020 Legislative Session

**January 10, 2020** – Budget must be submitted by Governor

## **Federal Legislative Update**

In October, members of Congress spent significant time, political capital, and public messaging on the House impeachment inquiry into President Trump. This also created distractions, resulting in staff working hard behind the scenes to identify a path forward for government funding. The Continuing Resolution passed earlier this year funds the government through November 21. With three weeks remaining, the Senate has yet to finalize its full-year funding bills, meaning Congress must pass another short-term extension bill by November 21 to avoid a government shutdown. With the impeachment inquiry ongoing concurrently, Congress is likely headed towards a potentially tense political impasse.

The current dynamic in Congress is substantially different from July, when members of Congress worked in a bipartisan manner to pass a budget agreement that set top-line federal funding amounts for the next two years. The tense tone in Washington D.C. that has ramped up over the last several months may become a barrier to progress on many legislative issues, with a limited number of bills expected to move for the remainder of the year.

## **Fiscal Year 2020 Appropriations**

The Senate is currently moving forward on votes for five of the bills in the House-passed spending package from the summer. The \$214 billion package includes funding for Departments of Agriculture, Commerce, Justice, Interior, Environmental Protection Agency, Transportation, and Housing and Urban Development, among other agencies. Disputes over funding for President Trump's border wall request have historically been an obstacle in the Senate, but it is expected that agreements can be reached on other funding areas in the package.

Please see below for an update on several appropriations line items, where they are in the process, and how the House-proposed levels compare to last year's levels and the President's recommended levels.

Most priority area funding levels in FY 2019 are expected to enjoy increases during the budget process. Thanks to continued advocacy, many of the proposed funding levels for FY 2020 are similar to FY 2019 levels.

Our spotlight system in the charts below indicates the proposed funding levels for your priority programs:

- Green highlights the areas in which the proposed funding level is at or above the level we requested.
- Yellow indicates that one of the two chambers recommended our requested levels, or a minor cut proposed by both chambers.
- Red indicates a significant proposed cut.
  - TPA continues to focus on programs in yellow and red to ensure adequate funding in FY 2020.

Many funding increases trigger better chances of receiving grant funding in FY 2020, both through federal programs and state programs that receive federal dollars.

Housing/Community Development:

<b>Program</b>	<b>FY 2019 enacted</b>	<b>FY 2020 President's Request</b>	<b>FY 2020 House</b>	<b>FY 2020 Senate</b>	<b>FY 2020 Enacted</b>
Community Development Block Grant (CDBG)	\$3.3 billion	\$0	\$3.6 billion	\$3.3 billion	N/A
HOME Investment Partnerships	\$1.25 billion	\$0	\$1.75 billion	\$1.3 billion	N/A
Homeless Assistance Grants	\$2.64 billion	\$2.6 billion	\$2.8 billion	\$2.8 billion	N/A
HUD Tenant-Based Rental Assistance (Section 8 Vouchers)	\$22.5 billion	\$22.2 billion	\$23.8 billion	\$23.8 billion	N/A
National Endowment for the Arts (NEA)	\$155 million	\$0	\$167.5 million	\$157 million	N/A
National Endowment for the Humanities (NEH)	\$155 million	\$0	\$167.5 million	\$157 million	N/A

Transportation:

<b>Program</b>	<b>FY 2019 enacted</b>	<b>FY 2020 President's Request</b>	<b>FY 2020 House</b>	<b>FY 2020 Senate</b>	<b>FY 2020 Enacted</b>
Better Utilizing Investments to Leverage Development (BUILD) Transportation Discretionary Grants	\$900 million	\$1 billion	\$1 billion	\$1 billion	N/A
Infrastructure For Rebuilding America (INFRA) Grants	\$1 billion	\$2.04 billion	\$1 billion	\$1 billion	N/A

Public Safety:

<b>Program</b>	<b>FY 2019 enacted</b>	<b>FY 2020 President's Request</b>	<b>FY 2020 House</b>	<b>FY 2020 Senate</b>	<b>FY 2020 Enacted</b>
Community Oriented Policing Services (COPS)***	\$225.5 million	\$99 million	\$323 million	\$245 million	N/A
Assistance to Firefighters (AFG) Grants	\$350 million	\$344 million	\$375 million	\$355 million	N/A
Staffing for Adequate Fire and Emergency Response (SAFER) Grants	\$350 million	\$344 million	\$375 million	\$355 million	N/A
FEMA Pre-Disaster Mitigation Grant Program	\$250 million	\$0	\$250 million	\$250 million	N/A

\*\*\* In response to a lawsuit, COPS has put a hold on several grant programs for the FY18 cycle, including the COPS hiring program. If the hold is not resolved soon, this could affect appropriations for FY20, including prompting a cut while COPS allocates its delayed FY18 and FY19 award funding. While congressional appropriators are not currently factoring this in, we are aware of its ability to change in the near future.

Water:

<b>Program</b>	<b>FY 2019 enacted</b>	<b>FY 2020 President's Request</b>	<b>FY 2020 House</b>	<b>FY 2020 Senate</b>	<b>FY 2020 Enacted</b>
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Clean Water State Revolving Fund	\$1.7 billion	\$1.12 billion	\$1.8 billion	\$1.64 billion	N/A
Drinking Water State Revolving Fund	\$1.18 billion	\$863 million	\$1.3 billion	\$1.13 billion	N/A
Bureau of Reclamation	\$1.57 billion	\$1.1 billion	\$1.63 billion	\$1.75 billion	N/A
WIFIA	\$68 million	\$25 million	\$45 million	\$73 million	N/A

#### Environment:

Program	FY 2019 enacted	FY 2020 President's Request	FY 2020 House	FY 2020 Senate	FY 2020 Enacted
Land and Water Conservation Fund (LWCF) Land Acquisition and State Assistance	\$153 million	\$104 million	\$280 million	\$199 million	N/A
Brownfields Grants	\$87 million	\$62 million	\$105 million	\$85.2 million	N/A
Yucca Mountain Nuclear Waste Repository	\$0	\$31.7 billion	\$0	\$0**	N/A

\*\*The bill includes a pilot program for consolidated nuclear waste storage, introduced by Alexander and ranking member Senator Dianne Feinstein (D-CA). It also includes funding to allow DOE to store nuclear waste at private facilities that are licensed by the Nuclear Regulatory Commission.

### **Natural Hazards**

#### *Legislative Platform: Policy Statements*

- *Support programs which provide funding to hazard mitigation projects including those identified in a FEMA-approved Local Hazard Mitigation Plan.*

#### Utility Power Shutoffs

In response to the wildfires that have erupted across the state this month, utility companies have initiated blackouts throughout several local communities. Millions of customers have gone without power to prevent fallen or compromised power lines from sparking a wildfire. In response, Governor Newsom has appointed members to the California Wildlife Safety Advisory Board, a board of independent expert advisors that will advise the California Public Utilities Commission on wildfire safety measures. This Board was established as outlined in AB 1054 (Holden – D, Pasadena) which was signed into law in July 2019.

Additionally, the Governor appointed members to the California Catastrophe Response Council. The Council was established as part of AB 111, the wildfire agencies budget trailer bill. The Council will oversee the operations and management of the Wildfire Fund to pay eligible claims resulting from a wildfire determined to be caused by an electric utility. The Council will direct the Wildfire Fund administrator to prepare and present its operation plans on an annual basis.

Senate Pro Tempore Atkins has also announced the formation of a Senate working group that will study the issue of public safety power shut offs. The members of the working group are the following Senators:

- Susan Rubio (D – West Covina)
- Mike McGuire (D – San Rafael)
- Hannah-Beth Jackson (D – Santa Barbara)
- Ben Hueso (D – Chula Vista)
- Benjamin Allen (D – Redondo Beach)
- Henry Stern (D – Calabasas)
- Nancy Skinner (D – Oakland)
- Jerry Hill (D – San Mateo)
- Scott Wiener (D – San Francisco)

In addition to the working group, the Senate Energy, Utilities and Communications Committee will convene an oversight hearing on November 18 to “begin investigating and reviewing options to address the serious deficiencies with the PSPS process”.

TPA anticipates several bills will be introduced next year to address the Public Safety Power Shutoff (PSPS) process and other issues surrounding power shut offs. We expect that many of these bills will be gut and amends when the Legislature returns in January, as the issue will still be fresh on legislators’ minds.

To that end, SB 378 (Wiener – D, San Francisco) will be amended to require the CPUC to create a process where businesses, individuals, and local governments can recover costs as a result of a PSPS. Early draft amendments to the bill would:

- Promote better collection of data on utility equipment in order to assess the risk level prior to a blackout
- Ensure that customers cannot be billed for transmission, distribution, and other costs during a planned blackout
- Prevent utility companies from spending funds that oppose the formation of a new municipal utilities

TPA will continue to provide timely updates on this issue as it progresses this year and into 2020.

### **Housing**

#### ***Legislative Platform: Policy Statements***

- *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.*

## Housing Development Fee Legislation

Beginning this month, Assemblymember Tim Grayson (D – Concord) will be holding roundtable discussions regarding housing development fees and subsequent 2020 legislation. The Assemblymember intends to have these public hearings and discussions about impact fees by developer advocates and local government finances by local government representatives. We anticipate that the public hearings will result in a housing impact fee bill or package that could significantly impact cities.

Below is a list of the upcoming meetings:

- Monday 11/4 – Fresno
- Tuesday 11/12 – San Francisco or Oakland
- Monday 11/18 – Los Angeles
- Tuesday 11/19 – San Diego

TPA has been working with California Special Districts Association, the League of California Cities, the California State Association of Counties, and others who are part of the local government lobby in developing a strategy coming out of these roundtable stakeholder meetings. TPA anticipates this issue will be a major topic of discussion in the 2020 legislative session and will continue to provide updates as they become available.

## 2019 Housing Related State Legislation

Below is a comprehensive list, status, and summary on all relevant housing bills in 2019:

<b>Bill/Author</b>	<b>Status</b>	<b>Brief Bill Summary</b>
AB 68 (Ting) Land use: accessory dwelling units	Chaptered	Removes remaining barriers to the widespread adoption of ADUs as low-cost, energy efficient, affordable housing.
AB 116 (Ting) Local Government	Chaptered	Authorizes Enhanced Infrastructure Financing Districts (EIFDs) to issue debt without voter approval, and specifies that an EIFD must hold three public hearings prior to issuing debt.
AB 587 (Friedman) Accessory dwelling units: sale or separate conveyance	Chaptered	Allows more flexible utilization of single family lots by providing two homes for low-income families in need.
AB 671 (Friedman) Accessory dwelling units: incentives	Chaptered	Requires a local government to include a plan in their housing element to incentivize and promote the creation of accessory dwelling units (ADUs).

AB 881(Bloom) Accessory dwelling units	Chaptered	Removes impediments to ADU construction. ADUs must receive streamlined approval if constructed in existing garages, and five-year owner occupancy is no longer required.
AB 1110 (Friedman) Rent increases: noticing	Chaptered	Requires 90 days' notice before a 10% rent increase for tenants with a month-to-month tenancy.
AB 1255 (Rivas) Surplus public land: inventory	Chaptered	Requires cities and counties to report surplus urban land to the State. State then has to include this information in a public digitized inventory.
AB 1399 (Bloom) Residential real property: rent control: withdrawal of accommodations	Chaptered	Makes changes to the Ellis Act, including prohibiting a landlord paying former tenants damages in lieu of offering re-rental.
AB 1482 (Chiu) Tenant Protection Act of 2019: tenancy: rent caps	Chaptered	Places an upper limit on annual rent increases: 5% plus inflation. Also prevents landlords from evicting tenants without just cause.
AB 1483 (Grayson) Housing data: collection and reporting	Chaptered	Requires local agencies to post on their websites the type and amount of each fee imposed on a housing development project.
AB 1485 (Wicks) Housing development: streamlining	Chaptered	Updates approval process for unsubsidized, zoning compliant rental and ownership housing projects.
AB 1486 (Ting) Surplus land	Chaptered	Requires local governments to include specified information relating to surplus lands in their housing elements and annual progress reports (APRs).
AB 1743 (Bloom) Local government: properties eligible to claim or receiving a welfare exemption	Chaptered	Will help reduce the cost of building affordable housing and allow rents to be affordable to the State's lowest income households.
AB 1763 (Chiu) Planning and zoning: density bonuses: affordable housing	Chaptered	Revises Density Bonus Law (DBL) to require a city or county to award a developer if 100% of the units in a development are restricted to lower income households.
SB 6 (Beall) Residential development: available land	Chaptered	Requires the state to create a public inventory of local sites suitable for residential



		development, along with state surplus lands.
SB 13 (Wieckowski) Accessory dwelling units	Chaptered	Creates a tiered fee structure which charges ADUs more fairly based on their size and location.
SB 18 (Skinner) Keep Californians Housed Act	Chaptered	Eliminates the sunset on a provision that guarantees all tenants, whose landlord is foreclosed on, get at least 90 days' notice before they must vacate the rental property.
SB 113 (Committee on Budget and Fiscal Review) Housing	Chaptered	States the Legislature's intent to establish a trust to manage \$331 million in state funds that are court-ordered to be directed to provide borrower relief and legal aid to homeowners and renters.
SB 196 (Beall) Property taxes: community land trust	Chaptered	Enacts a new welfare exemption from property tax for property owned by a Community Land Trust (CLT).
SB 222 (Hill) Discrimination: veteran or military status	Chaptered	Prevents landlords from refusing to rent to a tenant merely because the tenant proposes to pay with a Veterans Affairs Supportive Housing (VASH) voucher.
SB 329 (Mitchell) Discrimination: housing: source of income	Chaptered	Prohibits landlords from discriminating against tenants who rely upon housing assistance paid directly to landlords, such as a Section 8 voucher.
SB 330 (Skinner) Housing Crisis Act of 2019	Chaptered	Places restrictions on certain types of development standards, amends the Housing Accountability Act (HAA), and makes changes to local approval processes and the Permit Streamlining Act.
SB 644 (Glazer) Tenancy: security deposit: service members	Chaptered	Lowers the amount that a landlord can charge service members for a security deposit on residential rental housing.
SB 744 (Caballero) Planning and zoning: California Environmental Quality Act: permanent supportive housing	Chaptered	Creates an expedited CEQA review process for supportive housing developments that receive NPLH funding.

## **Administration: Local Control and Efficiencies**

### *Legislative Platform: Administration*

- *Support legislation that facilitates the ability of local government to share resources to increase efficiencies and decrease costs, including local efforts to address regional management of public safety personnel.*
- *Support legislation that preserves the ability of local governments to determine the appropriate type of election for their jurisdiction.*
- *Oppose measures that reduce local control over employee relations issues or mandate new or enhanced local government employee benefits.*

### **Other Priority State Legislation**

#### ***AB 377 (Garcia) – Microenterprise Home Kitchen Operations: signed into law***

AB 377 would prohibit a microenterprise home kitchen operation from producing, manufacturing, processing, freezing, or packaging certain dairy products. The bill would modify the conditions for a city, county, or city and county to permit microenterprise home kitchen operations within its jurisdiction. The bill would modify the inspections and food safety standards applicable to microenterprise home kitchen operations advertising.

#### ***AB 849 (Bonta) – Elections, Local Redistricting: signed into law***

AB 849 revises and standardizes the criteria and process to be used by counties and cities when they adjust the boundaries of the electoral districts that are used to elect members of the jurisdictions' governing bodies. Requires counties and cities to comply with substantial public hearing and outreach requirements as part of the process for adjusting the boundaries of electoral districts. Amendments have since reduced the number of required public hearings from six to four.

#### ***AB 1184 (Gloria) – Retention of public records: writing transmitted by electronic mail: vetoed***

AB 1184 requires a public agency to retain and preserve for at least two years every writing containing information relating to the conduct of the public's business that is prepared, owned, or used by the public agency and transmitted by electronic mail, unless a statute or regulation requires a longer retention period. This bill would require public agencies to store innocuous, mundane, and duplicative information for a minimum of two years, resulting in higher digital storage needs. The bill was amended to clarify that emails that include public records only be retained as defined by the State Records Management Act.

#### ***SB 5 (Beall) – Affordable Housing and Community Development Investment Program: vetoed***

This bill creates the Affordable Housing and Community Development Investment Program for local agencies to use local property taxes for affordable housing and housing related projects.

## **Fire and Emergency Services**

### *Legislative Platform: Emergency Services*

- *Support efforts to streamline and coordinate hazardous materials regulations.*

## PFAS

In October, Director Andrew Wheeler of the Environmental Protection Agency (EPA) announced that the agency is on track to meet a year-end deadline to propose regulatory standards for Per- and polyfluoroalkyl substances (PFAS) in drinking water. Toxicity standards, drinking water standards and groundwater standards for Perfluorooctane Sulfonate (PFOS) and Perfluorooctanoic Acid (PFOA), which have all been considered since 2016, should be unveiled by the end of 2019, a directive outlined by policy set forth in the Safe Drinking Water Act.

In February, the EPA indicated that it would take at least 25 steps to address the dangers of per- and poly-fluorinated compounds associated with adverse health effects like cancer. By the end of this year, the EPA must propose drinking water limits for the two types of PFAS no longer in use in the US.

In addition to these recent developments, the EPA also began the regulatory development process for designating PFOA and PFOS as hazardous substances under the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA).

Finally, the EPA recently concluded public comment on the draft Interim Recommendations for Addressing Groundwater Contaminated with PFOA and PFOS. The EPA is reviewing comments and asking whether the new guidelines should follow the EPA's suggested 70 parts-per-trillion (ppt) or whether higher or lower values would be supported.

Members of both parties in Congress have criticized the EPA over its process for PFAS regulation, a sign that Congress may be moving toward removing the EPA's authority over this process. Republicans and Democrats on the Senate Environment and Public Works Committee feel the agency is still moving too slowly to set minimum standards for the presence of these chemicals in water.

Congress has indicated it is interested in intervening and force the EPA to move faster. Last month, the Senate passed a defense authorization bill (S. 1790) that would force the EPA to establish nationwide standards within two years for two of the many PFAS chemicals that can be found in the environment. Congress is currently resolving differences between the House and Senate versions of the bill.

Senator John Barrasso (R-WY), the chairman of the committee, intends to maintain recent tradition and pass a broad water infrastructure bill before the end of next year, which could also include PFAS provisions. Congress has passed these types of water bills every other year since 2014. They often authorize dozens of large infrastructure projects for the Army Corps of Engineers and also include some water policy provisions.

### **Water Quality and Water Supply**

#### *Legislative Platform: Water Quality*

- *Support and monitor legislation that increases the availability of, and funding for, water conservation, water reuse technologies, water recycling, local water storage and other water supply technologies such as the Groundwater Replenishment System project.*
- *Support the enhancement of a reliable and sustainable water supply for California as well as measures that improve water quality in the region.*

## Federal Water Update

On October 28, the House Committee on Transportation and Infrastructure approved, the “Water Quality Protection and Job Creation Act of 2019” (H.R.1497), which authorizes approximately \$23.5 billion in direct infrastructure investment over the next five years to address wastewater infrastructure and local water quality challenges.

The bipartisan bill addresses local water quality challenges by providing assistance for the construction, repair, and replacement of the nation’s network of wastewater and stormwater conveyance and treatment facilities. The Water Quality Protection and Job Creation Act of 2019 significantly increases the amount of federal assistance made available to states and communities through the successful Clean Water State Revolving Fund program—the primary source of federal assistance for wastewater infrastructure construction.

The committee indicated that H.R. 1497 will create thousands of new, domestic jobs in the construction and wastewater sectors through increased investment in wastewater infrastructure, and that it would reduce the cost of constructing and maintaining that infrastructure. Finally, the committee concluded by highlighting that the bill would also promote energy efficiency and water efficiency and reduce the potential long-term operation and maintenance costs of publicly owned treatment works.