



San Diego County and Imperial County Divisions

Legislative Update – June 21-24 Hearings on bills of interest

Hundreds of bills are working their way through their respective policy committees in the state Legislature over the next few weeks, including more than a dozen bills that would impact cities that the League of California Cities is actively advocating on, most notably SB 9 (Atkins), SB 619 (Laird), SB 278 (Leyva), AB 603 (McCarty), SB 28 (Caballero), and SB 341 (McGuire).

Cal Cities oppose

SB 9 (Atkins) — which was highlighted in a recent Action Alert — would require local governments to ministerially approve housing development containing two residential units in single-family residential zones, as well as urban lot splits. Cal Cities opposes the measure due to the significant disruption it will create for cities already trying to implement state-certified housing plans. **Assembly Housing and Community Development Committee, Tuesday, June 22 at 1:30 p.m.**

SB 278 (Leyva) would require public agencies and schools to directly pay retirees and/or their beneficiaries disallowed retirement benefits using general funds and Proposition 98 dollars. It would also place 100% of the total liability for such overpayments on public agencies. Cal Cities opposes the measure for several reasons, including the negative fiscal impact it may have on cities, the potential compliance issues it may cause, and its constitutionality. **Public Employment and Retirement Committee, Wednesday, June 23 at 1:30 p.m.**

AB 603 (McCarty), which would require agencies to post online, annually, details about money spent on law enforcement-related settlements and judgments. Posting this information publicly would not provide an accurate picture of law enforcement interactions and conduct, and potentially creates potentially significant administrative costs. **Senate Public Safety Committee, June 22 at 9 a.m.**

Cal Cities support

SB 619 (Laird) would help local governments implement SB 1383 (Lara, 2016) and the subsequent CalRecycle regulations. The new regulations will likely lead to increased solid waste and recycling rates. Many cities are still reeling from the economic impact of COVID-19 and need more time and flexibility to implement the regulations. **Senate Natural Resources Committee, Wednesday, June 23 at 9 a.m.**

SB 341 (McGuire) would require the Office of Emergency Services (Cal OES), in coordination with the California Public Utilities Commission (CPUC), to adopt regulations for public outage

maps maintained by telecommunications providers on their websites. It would also require telecommunications providers to maintain backup services for at least 72 hours. As California faces what has become a nearly year-round fire season, measures like SB 341 are a must for communities in high-risk areas. **State Assembly Communications and Conveyance Committee, Wednesday, June 23 at 1:30 p.m.**

SB 28 (Caballero) would expand the authority of the California Public Utilities Commission (CPUC) to regulate cable providers. COVID-19 highlighted the importance (and lack) of reliable and affordable broadband services for many cities and their residents. In addition to spurring economic development, SB 28 would ensure more granular data on actual locations served by providers and broadband build-out to unserved and underserved communities. Cal Cities supports this bill. **State Assembly Communications and Conveyance Committee, Wednesday, June 23 at 1:30 p.m.**

The list of next week's hearing of bills that benefit or harm cities is below. All legislative policy committee hearings are televised. Audio and video links can be found on the [Senate](#) and [Assembly](#) websites, where they publish weekly television schedules online.

Monday, June 21

Assembly Revenue and Taxation, upon adjournment of Session, State Capitol, Room 4202

- **SB 219 (McGuire)** Property taxation: delinquent penalties and costs: cancellation: public health orders | Cal Cities position: Support
- **SB 555 (McGuire)** Local agencies: transient occupancy taxes: short-term rental facilitator: collection | Cal Cities position: Oppose Unless Amend

Assembly Transportation, upon adjournment of Session, Assembly Chamber

- **SB 640 (Becker)** Transportation financing: jointly funded projects | Cal Cities position: Support

Tuesday, June 22

Assembly Judiciary, 9 a.m., State Capitol, Room 4202

- **SB 323 (Caballero)** Local government: water or sewer service: legal actions | Cal Cities position: Support

Senate Public Safety, 9 a.m., State Capitol, Room 4203

- **AB 603 (McCarty)** Law enforcement settlements and judgments: reporting | Cal Cities position: Oppose

Assembly Housing and Community Development, 1:30 p.m., State Capitol, Room 4202

- **SB 9 (Atkins)** Housing development: approvals | Cal Cities position: Oppose

Senate Judiciary, 1:30 p.m., Senate Chamber

- **AB 332 (Committee on Environmental Safety and Toxic Materials)** Hazardous waste: treated wood waste: management standards | Cal Cities position: Support

Wednesday, June 23

Senate Natural Resources, 9 a.m., State Capitol, Room 4202

- **SB 1 (Atkins)** Coastal resources: sea level rise | Cal Cities position: Support
- **SB 619 (Laird)** Organic waste: reduction regulations | Cal Cities position: Support

State Assembly Communications and Conveyance, 1:30 p.m., State Capitol, Assembly Chamber

- **SB 28 (Caballero)** Rural Broadband and Digital Infrastructure Video Competition Reform Act of 2021 | Cal Cities position: Support

- **SB 341 (McGuire)** Telecommunications service: outages | Cal Cities position: Support
Public Employment and Retirement, 1:30 p.m. - State Capitol, Room 437
- **SB 270 (Durazo)** Public employment: labor relations: employee information | Cal Cities position: Oppose
- **SB 278 (Leyva)** Public Employees' Retirement System: disallowed compensation: benefit adjustments | Cal Cities position: Oppose

Thursday, June 24

Senate Governance and Finance, upon adjournment of Session, State Capitol, Room 4203

- **AB 602 (Grayson)** Development fees: impact fee nexus study | Cal Cities position: Oppose Unless Amend

Senate Transportation, upon adjournment of Insurance Committee, Senate Chamber

- **AB 1035 (Salas)** Department of Transportation and local agencies: streets and highways: recycled materials | Cal Cities position: Oppose Unless Amend

Early next week, Cal Cities will be issuing an action alert on bills still currently waiting to be set for hearing such as **AB 215 (Chui)**, **AB 989 (Gabriel)** and **AB 1401 (Friedman)**, all housing related bills of concern to cities.

The Legislature will be in session now through July 16th, then in recess until August 16th. Keep your eyes out for bill updates, action alerts and other information over the next several weeks.

Legislative recess will be a good opportunity to speak with your Legislators about bills as they will be at meetings and events in the district.

We anticipate a flurry of activity on legislation and budget bills from August 16 until the last day of session September 10th.

Identified Priority Bills

Cal Cities lobbyists have identified these bills as priorities at this time:

- **AB 14 (Aguilar-Curry) Communications. Broadband Services. California Advanced Services Fund.** This measure would reform the existing California Advanced Services Fund (CASF) surcharge to help close the digital divide. Specifically, it would continue the collection of the CASF fund beyond its original 2022 sunset date and make it easier for local governments to apply for these infrastructure grants. This would create a long-term sustainable funding source for cities for broadband deployment.
Cal Cities Position: Support
- **AB 215 (Chiu) Housing Element: Regional Housing Need. Relative Progress Determination.** This measure would require cities to have a mid-cycle housing element consultation with the Department of Housing and Community Development (HCD) if housing production is below the regional average; require cities to amend their laws so as to attain HCD's "pro-housing designation" if housing production is substantially below the regional average; and allow the Attorney General to enforce violations of the Housing Crisis Act of 2019 (SB 330, Skinner).
Cal Cities Position: Oppose

- [AB 339 \(Lee\)](#) **Local Government. Open and Public Meetings.** This measure was significantly amended on May 4 in the Assembly Local Government Committee to only require telephonic or internet based call-in options for city councils and boards of supervisors with jurisdictions larger than 250,000 people. The prior requirements related to translation and interpretation services have been removed and the amended measure now sunsets on December 31, 2023.
Cal Cities Position: Oppose w/ Action Alert.
- [AB 989 \(Gabriel\)](#) **Housing Accountability Act. Appeals. Housing Accountability Committee.** This measure would establish a housing appeals committee and would establish procedures by which an applicant who proposes a housing development project pursuant to the Housing Accountability Act may appeal a local agency's decision on the project application to the committee.
Cal Cities Position: Oppose
- [AB 1401 \(Friedman\)](#) **Residential and Commercial Development. Parking Requirements.** This measure would prohibit a local government from imposing a minimum parking requirement, or enforcing a minimum parking requirement, on residential, commercial, or other development if the development is located on a parcel that is within one-half mile walking distance of public transit or located within a low-vehicle miles traveled area.
Cal Cities Position: Oppose
- [SB 2 \(Bradford\)](#) **Peace Officers. Certification. Civil Rights.** This measure would set standards for peace officer decertification and eliminates qualified immunity for peace officers and custodial officers, or public entities employing peace officers or custodial officers sued under the act.
Cal Cities Position: Oppose
- [SB 4 \(Gonzalez\)](#) **Communications. California Advanced Services Fund. Deaf and Disabled Telecommunications Program. Surcharges.** This measure would reform the existing California Advanced Services Fund (CASF) surcharge to help close the digital divide. Specifically, it would continue the collection of the CASF fund beyond its original 2022 sunset date and make it easier for local governments to apply for these infrastructure grants. This would create a long-term sustainable funding source for cities for broadband deployment.
Cal Cities Position: Support
- [SB 9 \(Atkins\)](#) **Housing and Development. Approvals.** This bill would require a local government to ministerially approve a housing development containing two residential units in single-family residential zones. Additionally, this measure would require local governments to ministerially approve urban lot splits. Already passed over to the Assembly, see the 28-6-6 Senate vote count [HERE](#).
Cal Cities Position: Oppose w/ Action Alert
- [SB 16 \(Skinner\)](#) **Peace Officers. Release of Records.** This measure would make every incident involving use of force, sustained findings of unlawful arrests and unlawful searches, and incidents where a peace officer or custodial officer engaged in conduct involving prejudice or discrimination on the basis of specified protected classes to be subject to disclosure. Additionally, SB 16 would require indefinite retention of all

complaints and related reports or findings currently in the possession of a department or agency.

Cal Cities Position: Oppose

- [SB 278 \(Leyva\)](#) **Public Employees' Retirement System. Disallowed Compensation. Benefit Adjustments.** This bill would require public agencies to directly pay retirees and/or their beneficiaries disallowed retirement benefits using their general fund dollars.
Cal Cities Position: Oppose w/ Action Alert
- [SB 555 \(McGuire\)](#) **Local Agencies. Transient Occupancy Taxes. Short-Term Rental Facilitator. Collection.** This measure would provide an opt-in program for cities to delegate short-term rental Transient Occupancy Taxes collection authority to the California Department of Tax and Fee Administration.
Cal Cities Position: Oppose Unless Amended
- [SB 556 \(Dodd\)](#) **Street Light Poles, Traffic Signal Poles. Small Wireless Facilities Attachments.** This measure would directly conflict with Federal Communications Commission's adopted regulations on wireless services deployment. It would require local governments to make space available on streetlight poles, traffic signal poles, utility poles, and other public infrastructure to telecommunications providers. Additionally, SB 556 would create ambiguity in the fees local governments can charge for access to their infrastructure.
Cal Cities Position: Oppose w/ Action Alert
- [SB 619 \(Laird\)](#) **Organic Waste. Reduction Regulations.** This measure would seek to help local governments implement SB 1383 (Lara, 2016), and the subsequent CalRecycle organic waste regulations.
Cal Cities Position: Support

State Budget Update – Budget framework passed, many details yet to be determined

The Legislature passed a budget bill on Monday, June 14. However, the bill is merely a framework that tees up a long summer of negotiations between the Legislature, Governor, and interest groups.

While there is consensus on priority areas in the budget, the final spending amounts, as well as the allocation and distribution methods, have yet to be agreed upon. Key disagreements remain over the amount of money available to spend in future years, how quickly to spend money on key initiatives, and the best uses of the state's American Rescue Plan funds. Those spending and reporting details will be hashed out in trailer bills, which contain the implementation language for the State Budget and don't adhere to the same constitutional deadlines.

The League of California Cities has [called on the state](#) to commit at least \$10 billion for cities over the next budget year to help cities recover from the pandemic, bolster investment towards meaningful solutions to homelessness, improve housing affordability, and advance critical infrastructure. The budget bill the Legislature passed this week includes significant earmarks for cities' big priorities but is light on the details. Read Cal Cities Executive Director and CEO

Carolyn Coleman's [response](#) to the budget bill, and review the below for a recap of the budget bill and how it relates to Cal Cities' budget ask.

Housing and homelessness:

Cal Cities is asking for \$5 billion for evidence-based homelessness and housing solutions to support cities in their efforts towards ending homelessness and increasing the construction of housing that is affordable to all Californians. These funds would be used to expand programs such as Homekey; Homeless Housing, Assistance and Prevention (HHAP); and Homeless Emergency Aid Program (HEAP) that deliver rapid rehousing, rental subsidies, and subsidies for new and existing housing and emergency shelters.

The approved State Budget historically commits \$1 billion per year for direct and flexible funding to cities and counties to address homelessness, but details about the carrots and sticks related to this funding are lacking. Cities should remain cautiously optimistic, as the state contemplates attaching significant requirements and mandates on local governments.

The Legislature provided \$2.2 billion specifically for Project Homekey with \$1 billion available immediately. Cities should remain concerned over the lack of HHAP and HEAP funding that helps deliver rapid rehousing programs, which allow for more immediate solutions and provide resources to areas in which Project Homekey is not feasible.

The budget bill did include Cal Cities-supported \$584 million for the Infill Infrastructure Grant program designed to support affordable housing. The budget bill also includes \$250 million for sustainable community strategies planning grants and \$200 million for first-time homebuyer assistance, with a set-aside to support Accessory Dwelling Unit (ADU) financing.

Broadband infrastructure:

Cal Cities is urging the Legislature and Governor to commit at least \$3 billion for broadband infrastructure this budget cycle, to support expansion and related infrastructure upgrades in unserved and underserved communities to help cities catalyze projects statewide. This will ensure an equitable recovery for Californians in rural, isolated communities, as well as urban and suburban ones. Negotiations between the Legislature and Governor remain divided over how and how quickly to invest \$7 billion to support broadband infrastructure. The Legislature approved in their budget bill setting aside an investment of \$7 billion over seven years. However, the Governor is pushing for a more rapid schedule of \$7 billion over three years. Cal Cities, the California State Association of Counties, and dozens of partners have [supported the Governor's plan](#) for its urgency. These discussions are likely to continue through the summer.

Direct and flexible state aid for cities:

Cal Cities continues to call on the state to invest \$2 billion in direct and flexible state aid to cities to address local budget gaps left by the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund. The investment would prevent sustained cuts to good government jobs and jumpstart core services. *Despite strong calls from Cal Cities and city leaders, the*

Legislature missed this opportunity to invest directly in our cities and did not include this direct funding for cities in the budget bill.

Recycling and organic waste diversion:

Cal Cities continues to advocate for a \$250 million investment to support the implementation of waste diversion mandates (SB 1383). The Legislature set aside \$130 million for a circular economy package to be negotiated throughout the summer.

Transportation:

The Legislature's budget also includes \$5 billion for streets, roads, and highway projects. Specifically, the budget includes a line item of \$2 billion for local streets and roads programs including the Active Transportation Program (ATP) and Trade Corridor Enhancement Program. Cities should remain cautiously optimistic on this investment as more details are unveiled for discussion in the summer months.

Water and drought:

The legislature approved setting aside \$3.4 billion for a water and drought resilience package to be negotiated throughout the summer.

Budget negotiations are far from over, and additional work will continue in the coming days and weeks. Cal Cities will continue to call on the Legislature and Governor to provide direct and flexible fiscal relief for cities and fight for additional resources that cities need. Cal Cities will also remain actively engaged in the trailer bill process, to ensure that funding for cities in key priority areas is distributed transparently, equitably, and respect local decision-making.

League of California Cities Annual Conference – In Person September 22-24, 2021 – Sacramento.....Registration is open

Visit www.CACities.org/AC for more details.