



Agenda

LEGISLATION COMMITTEE

March 21, 2011
11:00 a.m.—12:00 p.m
651 Pine Street, Room 101, Martinez

Supervisor Karen Mitchoff, District IV, Chair
Supervisor John Gioia, District I, Vice Chair

Agenda Items:

Items may be taken out of order based on the business of the day and preference of the Committee

1. **Introductions**
2. **Public comment on any item under the jurisdiction of the Committee and not on this agenda.**
(Speakers may be limited to three minutes.)
3. **Review Record of Action:** February 7, 2011
4. **State Budget Update – Presenters:** Lara DeLaney, Cathy Christian
5. **Realignment and State Constitutional Amendment Discussion– Presenter:** Lara DeLaney
6. **State Legislative Issues – Presenters:** Lara DeLaney, Cathy Christian
 - a. AB 147 (Dickinson): Subdivisions — *Information Only*
 - b. AB 720 (Hall): Road Commissioner Authority — *OPPOSE*
 - c. SB 394 (DeSaulnier): Healthy Schools Act of 2011 — *SUPPORT*
 - d. SB 429 (DeSaulnier): Education: Community Learning Centers: Funding — *SUPPORT*
 - e. AB 861 (Nestande): California Stroke Registry — *SUPPORT*
 - f. AB 340 (Furutani): County Employees' Retirement: Post-retirement Service — *WATCH*
 - g. SB 662 (DeSaulnier): Integrated Health and Human Services Program — *CONSIDER*
7. **Federal Issues Update – Presenter:** Lara DeLaney
8. **Household Hazardous Waste Management , Policy Recommendation– Presenter:** Michael Kent
9. **ARRA Federal Stimulus Funds, Status Report – Presenter:** Lara DeLaney
10. **Recap of Washington, D.C. Lobbying Trip– Oral discussion**
11. **Adjourn to the next regular meeting scheduled for Monday, April 18, 2011 at 11:00 a.m.**

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✉ Public comment may be submitted via electronic mail on agenda items at least one full work day prior to the published meeting time.

For Additional Information Contact:

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Glossary of Acronyms, Abbreviations, and other Terms (in alphabetical order):

Contra Costa County has a policy of making limited use of acronyms, abbreviations, and industry-specific language in its Board of Supervisors meetings and written materials. Following is a list of commonly used language that may appear in oral presentations and written materials associated with Board meetings:

AB	Assembly Bill	HIPAA	Health Insurance Portability and Accountability Act
ABAG	Association of Bay Area Governments	HIV	Human Immunodeficiency Syndrome
ACA	Assembly Constitutional Amendment	HOV	High Occupancy Vehicle
ADA	Americans with Disabilities Act of 1990	HR	Human Resources
AFSCME	American Federation of State County and Municipal Employees	HUD	United States Department of Housing and Urban Development
AICP	American Institute of Certified Planners	Inc.	Incorporated
AIDS	Acquired Immunodeficiency Syndrome	IOC	Internal Operations Committee
ALUC	Airport Land Use Commission	ISO	Industrial Safety Ordinance
AOD	Alcohol and Other Drugs	JPA	Joint (exercise of) Powers Authority or Agreement
ARRA	American Recovery and Reinvestment Act	Lamorinda	Lafayette-Moraga-Orinda Area
BAAQMD	Bay Area Air Quality Management District	LAFCo	Local Agency Formation Commission
BART	Bay Area Rapid Transit District	LLC	Limited Liability Company
BCDC	Bay Conservation & Development Commission	LLP	Limited Liability Partnership
BGO	Better Government Ordinance	Local 1	Public Employees Union Local 1
BOS	Board of Supervisors	LVN	Licensed Vocational Nurse
CALTRANS	California Department of Transportation	MAC	Municipal Advisory Council
CalWIN	California Works Information Network	MBE	Minority Business Enterprise
CalWORKS	California Work Opportunity and Responsibility to Kids	M.D.	Medical Doctor
CAER	Community Awareness Emergency Response	M.F.T.	Marriage and Family Therapist
CAO	County Administrative Officer or Office	MIS	Management Information System
CCHP	Contra Costa Health Plan	MOE	Maintenance of Effort
CCTA	Contra Costa Transportation Authority	MOU	Memorandum of Understanding
CDBG	Community Development Block Grant	MTC	Metropolitan Transportation Commission
CEQA	California Environmental Quality Act	NACo	National Association of Counties
CIO	Chief Information Officer	OB-GYN	Obstetrics and Gynecology
COLA	Cost of living adjustment	O.D.	Doctor of Optometry
ConFire	Contra Costa Consolidated Fire District	OES-EOC	Office of Emergency Services-Emergency Operations Center
CPA	Certified Public Accountant	OSHA	Occupational Safety and Health Administration
CPI	Consumer Price Index	Psy.D.	Doctor of Psychology
CSA	County Service Area	RDA	Redevelopment Agency
CSAC	California State Association of Counties	RFI	Request For Information
CTC	California Transportation Commission	RFP	Request For Proposal
dba	doing business as	RFQ	Request For Qualifications
EBMUD	East Bay Municipal Utility District	RN	Registered Nurse
EIR	Environmental Impact Report	SB	Senate Bill
EIS	Environmental Impact Statement	SBE	Small Business Enterprise
EMCC	Emergency Medical Care Committee	SWAT	Southwest Area Transportation Committee
EMS	Emergency Medical Services	TRANSPAC	Transportation Partnership & Cooperation (Central)
EPSDT	State Early Periodic Screening, Diagnosis and treatment Program (Mental Health)	TRANSPLAN	Transportation Planning Committee (East County)
et al.	et ali (and others)	TRE or TTE	Trustee
FAA	Federal Aviation Administration	TWIC	Transportation, Water and Infrastructure Committee
FEMA	Federal Emergency Management Agency	UCC	Urban Counties Caucus
F&HS	Family and Human Services Committee	VA	Department of Veterans Affairs
First 5	First Five Children and Families Commission (Proposition 10)	vs.	versus (against)
FTE	Full Time Equivalent	WAN	Wide Area Network
FY	Fiscal Year	WBE	Women Business Enterprise
GHAD	Geologic Hazard Abatement District	WCCTAC	West Contra Costa Transportation Advisory Committee
GIS	Geographic Information System		
HCD	(State Dept of) Housing & Community Development		
HHS	Department of Health and Human Services		

Schedule of Upcoming BOS Meetings

March 22, 2011

April 05, 2011

Legislation Committee
Supervisor Karen Mitchoff, Chair
Supervisor John Gioia, Vice Chair

Record of Actions

February 7, 2011
Room 101, 651 Pine Street, Martinez

1. Introductions

The meeting was called to order by Chair Mitchoff. Vice Chair Gioia was in attendance. Staff and the public introduced themselves. Cathy Christian, state advocate, was conferenced in by phone, as was Paul Schlesinger, federal advocate.

2. Public Comment: None.

3. State Budget Update :

The County's state advocate, Cathy Christian, reported on the discussions surrounding the State budget adoption, stating that March 11 was the target date by the Governor for when a budget package should be passed. A Constitutional Amendment was going to be required to implement the Administration's Realignment Proposal. Pension reform could be the carrot for the Republican support, though it is not part of the package as yet.

4. Federal Issues Update:

The County's federal advocate, Paul Schlesinger, reported on the development of the federal budget through the Continuing Resolution process. With the proposed elimination of earmarks and the anticipated reduction in federal appropriations, it would be necessary to participate in the grant programs at the federal agencies.

5. 2011 State Platform Issues:

- a) Re-alignment Principles: Regarding the reference to the CSAC Realignment Principles in the State Platform, Supervisor Gioia wanted to ensure that there was emphasis on local control and flexibility also applying to the management of *existing* programs. With that change, the Legislation Committee recommended its inclusion in the 2011 State Platform. Supervisor Gioia also recommended a change in the State Platform with respect to the voting threshold for special taxes and would send language to staff for consideration by the Board.
- b) Redevelopment Agency Revenue: Supervisor Gioia made changes to the language of the Redevelopment priority area for the State Platform. The Legislation Committee approved the recommendations to the Board of Supervisors regarding on-going operations of the CC RDA.
- c) VLF Extension for Public Safety: The Legislation Committee approved the recommended language.
- d) AB 3632 Mental Health Services for Special Education Services: The Legislation Committee supported staff's recommendation for a policy in the State Platform that would address the problem for County resources.

- e) Funding for the Local Planning Council for Child Care and Development and the AB 212 Child Care Salary and Retention Incentive Program: The Legislation Committee supported the recommended policy for inclusion in the 2011 State Platform.
- f) Vasco Road Double Fine Zone Extension: The Legislation Committee supported the recommended policy for inclusion in the 2011 State Platform.

The Legislation Committee recommended that these recommendations go to the Board of Supervisors at the next available agenda.

6. 2011 Federal Platform Issues:

- a) Allowing Employees to Elect Reduced Pension Benefits: The Legislation Committee supported staff's recommended policy for inclusion in the 2011 Federal Platform. Supervisor Gioia recommended that the County seek support for resolution of the issue with NACo, CSAC, the Conference of Mayors, and the peace officers association in California.
- b) Carquinez Scenic Drive SF Bay Trail Improvement Project: The Legislation Committee accepted the report and concurred with the project removal from the County's appropriations requests list.

7. RFP/RFO Process for Federal and State Advocacy Services: The Legislation Committee recommended that staff not engage in this process at this time, given the limited staff resources. The committee recommended that the contracts, instead, be extended to December 2011.

8. Lobbying Trip to D.C.: The Committee discussed the need for a trip. Supervisor Mitchoff indicated her interest in going to D.C. to lobby, in connection with the NACo legislative conference. Staff would make arrangements for meetings.

9. Legislation Committee Schedule for 2011: Approved.

10. Adjourned to March 21, 2011

**OFFICE OF THE COUNTY ADMINISTRATOR
CONTRA COSTA COUNTY**

TO: Legislation Committee
 Supervisor Karen Mitchoff, Chair
 Supervisor John Gioia, Vice Chair

FROM: Lara DeLaney, Legislative Coordinator

DATE: March 16, 2011

SUBJECT: **Agenda Item #4: State Budget Update**

RECOMMENDATION

ACCEPT report on the State Budget and related matters and provide direction, as necessary.

REPORT

Both houses of the Legislature will convene on Wednesday, March 16 to take up the budget package that emerged from conference committee, but Legislative leaders are not making any predictions on the outcome. (See *Attachment A* for a Summary of the Conference Committee final report from CSAC.)

Governor Jerry Brown is still saying he has no agreement with Republicans and crusading for the right to let Californians vote on tax extensions.

He needs two Republicans in the Senate and two in the Assembly, as well as all of the Democrats, to get a two-thirds vote required to put the tax question on the ballot. He had hoped to get a deal in place to be able to call a special election June 7, but those chances are now dim.

Some strategists are calling for Democrats to push the tax extensions through on a simple majority vote, something that legal experts say can be done since the taxes are considered an existing statute. However, the Governor has expressed a preference for bipartisan support of the budget package.

Among the concessions he has apparently made is a proposal to curb pension spending, though he would not divulge details. Republicans have said they want fundamental changes to the pension system such as imposing a 401(k)-style investment plan. They also have asked for a strict spending cap on future state revenues, as well as rollbacks on regulations.

If the tax extensions were to reach the ballot, a new Field/UC Berkeley poll suggests voters are inclined to support the governor's proposal. (See *Attachment B* for a summary of the poll results.)

Redevelopment Alternative Proposal

The Governor's proposed FY 2011-12 budget calls for the elimination of redevelopment agencies, effective July 1 of this year, and the transfer of \$1.7 billion to the State for funding trial court and Medi-Cal expenses. In future years, it would allocate the amount remaining in any year after scheduled and allowable redevelopment agency debt payments to schools, cities, counties and non-enterprise special districts. The League of California Cities contends this controversial proposal violates Proposition 22 and other parts of the state Constitution.

Proposed CRA Alternative. Many city officials and legislators who are concerned about the devastating impacts of the Governor's redevelopment proposal have been asking both the League of California Cities and the California Redevelopment Association (CRA) to develop an alternative that balances the protections of Prop. 22 with the reality of the current legislative debate. The CRA has proposed an alternative to the Governor's proposal that entails voluntary payments by redevelopment agencies (RDAs) to local schools (not the state) serving project areas in exchange for extensions in the duration of RDA projects. Attorneys believe the legislation is likely consistent with Proposition 22.

Here is the CRA's overview of their proposal. (Please also see *Attachment C*, the summary of the CRA Reform/Repositioning Alternative.)

Within 60 days of the enactment of the bill, RDAs may choose **one or both** of the following options:

- 1) **Voluntarily suspend their housing set-aside for FY 2011-12 and donate an equivalent amount of funds to their local school districts in project areas for that year only.** In exchange for this contribution of funds for FY 2011-12 to local schools, the agency will be allowed to extend the project area's life by TWO YEARS; and/or
- 2) **Voluntarily contribute up to 10 percent of their tax increment revenue stream to local school districts serving the project areas for up to 10 years, beginning in FY 2011-12.** The tax increment revenue stream they could contribute would be calculated as a percentage of the gross tax increment minus the existing pass-through payments to local taxing entities. For each percentage of tax increment paid to schools, an additional year could be added to the project area life, up to a maximum of 10 years. For example, if five percent of tax increment was dedicated to schools, the project area life could be extended for five years.

The amount of money contributed to local schools, and thus the amount of money the State can save in its general fund budget, is dependent on the participation of agencies. The State may use this funding to offset its Prop. 98 funding obligation to schools.

Benefits:

- **CRA conservatively estimates that the alternative could raise more than \$2.7 billion over the 10-year life of the proposal**, far exceeding the \$1.7 billion in the Governor estimates that could be gained by eliminating redevelopment.
- Much of these funds (estimates range from \$700 million to \$1 billion) would be a one-time upfront payment that could help bridge the FY 2011-12 budget gap.
- This measure replaces the draconian and short-sighted proposal to abolish redevelopment. Local communities would continue to have redevelopment as a tool to create jobs, build affordable housing, and revive local economic growth.

Issues for Consideration. While efforts have been made to make the proposal consistent with Prop. 22 which prohibits legislative mandates of such payments but does not prohibit local agencies making such payments voluntarily in exchange for project extensions, it does set a precedent shortly after the enactment of Prop. 22 that needs to be considered.

1. **Is the CRA Alternative Better than the Risk of Litigation?** While some attorneys believe the chances are good that the court will stay the law's effective date until the court can rule on the merits of the case, the risks of the litigation include cost (well over \$100,000 for the initial petition and case), a possibility (perhaps limited) that a stay will not be granted to prevent the law from taking effect, and a slow-down in redevelopment activity, bond issues, developer agreements and projects until the lawsuit runs its course. Moreover, some agencies are planning for employee lay-offs if the threat of the legislation is not lifted, affecting the layoffs of thousands of talented staff members.
2. **Does it set an Undesirable Precedent?** Will such a proposal effectively reward the state, opening the door to similar proposals in the future to secure similar "voluntary" payments, including project extensions that in the past did not require payments?
3. **Does the Extension of Projects Areas Provide A Valuable Benefit in Return?** Many officials will argue that project area extensions are valuable benefits of this proposal and worth the cost of the voluntary payments to local schools.
4. **Should We Help the State in Its Hour of Need?** While state government has not been a good example of fiscal prudence and RDAs and cities have been compelled to make billions of such payments in the past, the state provides essential services that Californians need, including higher education, health care, K-14 education, etc. Moreover, it is often said that the state could fire every state employee and still

not close its \$26 billion deficit. Some officials have argued that local redevelopment agencies should help the people of California in this hour of need.

5. **Does the Proposal Violate the Spirit of Prop. 22?** While the proposal may be legal, some may feel it violates the intent of Prop. 22 by sending local redevelopment funding to schools and indirectly benefit the state general fund (which can offset it against the state's Prop. 98 obligation). On the other hand, some would argue that if the money is going to go somewhere it is better that the funding goes to local schools in order to ensure they avoid further cuts in the future.
6. **Risks of the Legislative Process Always Exist.** The legislative process always entails the risk that a proposal will not emerge at the end that even remotely resembles the initial proposal. While this may be true, supporters always have the option of withdrawing support due to subsequent changes and pursuing litigation if the measure is unconstitutional.

Negotiations intensify over cut to redevelopment agencies

By John Howard | 03/15/11 2:00 AM PST, Capitol Weekly

As the debate intensifies over the fate of California's redevelopment agencies, competing proposals swirled through the Capitol, including a new plan from the agencies themselves in which they would voluntarily suspend putting money set aside for housing and shift those funds instead to schools.

The plan emerged as leaders in both houses scheduled floor votes for the budget on Wednesday. As written, the budget facing the floor votes will eliminate California's redevelopment agencies.

"We sent this to our members this morning, we are offering this as an alternative to the governor's proposal," said John Shirey of the California Redevelopment Association. He said the proposal conformed to voter-approved Proposition 22 and did not require borrowing, an issue raised by the state treasurer.

The agencies who decide to participate in the program also would contribute up to 10 percent of their taxbased revenues to local school districts over the next decade starting this year, a move that would shift \$2.7 billion to schools, Shirey noted.

In return, the agencies would be allowed to remain in existence.

Their proposal, which took two weeks to write, was disclosed internally to the redevelopment agencies, or RDAs, represented by the CRA, which has been fighting Gov. Brown over his proposal.

The governor's office said the CRA plan would "shortchange schools, public safety and other core taxpayer needs by \$12 billion over 10 years." "Every taxpayer dollar must be committed to urgent core needs like schools, public safety and emergency medical assistance for the most vulnerable," said Brown spokesman Gil Duran.

The proposal marked the latest in a series of bargaining strategies over Brown's budget plan. The RDAs believe Brown's proposal is unconstitutional and a violation of Proposition 22, which voters approved in November to protect local funds against state raids.

The CRA noted that at least one other proposal, one floated by L.A. Mayor Antonio Villaraigosa and other big-city mayors, required borrowing.

Supporters of the governor's plan say the agencies tap billions of dollars worth of tax funds that could be used for critical programs such as schools and emergency services, and they don't provide the economic benefits they claim

Some 425 agencies would be phased out under Brown's proposal. Under one related plan, protections would be ordered for affordable housing funding, perhaps a \$1 billion annually, after a one-year hiatus.

The \$1 billion constitutes about 20 percent of the agencies' more than \$5 billion in annual tax revenues.

On the eve of the first budget vote, the formal abolishment of the redevelopment agencies appeared likely. Gov. Brown has called for their elimination as part of his fiscal plan to help fill a \$25.4 billion budget hole.

The move would provide the state about \$1.7 billion. Phasing out the agencies was reflected in the budget conference report now facing votes in both houses. It is that report, crafted by a Democrat-controlled committee representing members of both the Senate and Assembly, that will go the floors Wednesday.

One key question was how Republicans view abolishing the redevelopment agencies.

"As a local elected leader, I saw firsthand how redevelopment agencies can serve as effective economic engines," said Assembly GOP Leader Connie Conway. "I have concerns about completely eliminating redevelopment programs, but I am open to looking at ways to ensure that these agencies are truly stimulating local economies and putting people back to work."

Under Brown's plan, according to Legislative Analyst, the redevelopment agencies unused funds would be shipped to other local entities, who would retire some \$2.2 billion in debt, provide \$1.7 billion for the Medi-Cal program and trial courts, give \$1.1 billion to schools and give cities and special districts some \$210 million.

The money that would go to enterprise zones would be shifted instead to the counties, under the governor's proposal.

The agencies' removal – at least, theoretically -- allows the state to tap their funding and gets around voter-approved Proposition 22, which barred the state's use of community redevelopment funds. But that measure doesn't bar the state from abolishing the agencies – and agencies that don't exist don't control money.

Their functions would continue, at least in part, although under a different administrative arrangement. But for the redevelopment agencies, the issue is straightforward – abolishing them is against the law.

“We believe it is illegal to eliminate redevelopment agencies and reconstitute them as something else,” said Kathy Fairbanks, a spokeswoman for the coalition opposing Brown’s plan. “They can’t be eliminated nor can their money be used for other purposes.”

For affordable housing, beginning in 2012-2013 property tax funds would be routed to cities and counties through the regional councils of government, the so-called COGs.

The locals would receive grants in proportion to their previous track record for low- and medium-income housing. In all, about \$1 billion annually would be diverted to affordable housing.

The move to protect affordable housing is being pushed by Sen. Mark DeSaulnier, D-Concord. No bill is in print, and language from the Legislative Counsel’s office has not been distributed. But the governor reportedly has given him the green light to try to negotiate an agreement.

“I think there is a real possibility here,” said DeSaulnier, who chairs the Senate Housing Committee. “The only danger is that everything in a budget is intertwined. And so much of this (redevelopment and affordable housing) are involved in the larger issue. I don’t want to be involved with anything unraveling.”

Driving the affordable housing piece is the fear that the money – perhaps \$1 billion – would be lost if the Brown’s plan is approved as proposed.

“As part of the redevelopment discussion, we don’t want to lose sight of this pot of money for affordable housing,” DeSaulnier said.

The governor’s attempt to eliminate California’s redevelopment agencies is but one piece of his proposed 2011-12 budget. But it is one of the most visible. The governor’s proposal is backed most strongly by a number of public employee unions, including firefighters and teachers, and opposed adamantly by the RDAs themselves, construction unions, developers and business groups, among others.

Brown’s supporters believe the agencies’ abolishment would ensure more funding for schools and emergency services, while the RDAs’ allies say the plan would cut thousands of jobs and weaken an already-crippled economy.

The Legislative Analyst said the governor’s proposal “makes sense, as the state’s cost associated with redevelopment have grown markedly over the years even though there is no reliable evidence that this program improves overall economic performance in the state.”



**2011-12 State Budget
Week of March 6, 2011**

March 8, 2011

TO: CSAC Board of Directors
County Administrative Officers
CSAC Corporate Associates

FROM: Paul McIntosh, CSAC Executive Director
Jim Wiltshire, CSAC Deputy Executive Director
Jean Kinney Hurst, Legislative Representative

RE: **Budget Action Bulletin No. 1**

The ten-member Budget Conference Committee (Committee) finished their work on Thursday, March 3rd, passing its final report on a party-line vote. The report includes \$12.5 billion in cuts and a \$1.1 billion reserve. In addition, the Committee adopted the \$12 billion associated with the Governor's realignment proposal.

The report includes substantial cuts to nearly every area of state government, including many programs that counties run on their behalf. Examples include the one-time sweep of First 5 (Proposition 10) funds and significant reductions to CalWORKs – including reductions to the single allocation, grant levels, lifetime limits, and child care. The Committee also adopted the elimination of redevelopment agencies.

Notably, the report passed without Republican support. While the Legislature can pass the Budget Bill itself on a majority vote, as well as any bills necessary to implement it, the realignment proposal and its accompanying tax extensions require a constitutional amendment, which requires a two-thirds vote and therefore at least a few Republican votes. To get such an amendment on an early June special election ballot as planned, the Legislature will have to act in the near future.

General Fund Solutions

Starting Shortfall	-\$26.6 billion
▪ Expenditure Reductions	\$12.5 billion
▪ Revenue Solutions	\$12 billion
▪ Other Solutions	\$3.2 billion
Total Solutions	\$27.7 billion
Reserve	\$1.1 billion

Governor’s Realignment Proposal: Realignment is an important component of the Governor’s proposed budget, and the Committee included it in their report. However, the activities surrounding the plan are moving so quickly that we have not included additional information about it in this Budget Action Bulletin.

What’s Next: The Legislature is planning a budget vote on Thursday of this week, despite press reports that Senate Republicans have walked out of negotiations with Governor Brown. The Legislature needs to act in the coming days in order to get the realignment constitutional amendment on the June ballot. Things may be happening quickly and furiously over the next week.

ADMINISTRATION OF JUSTICE

Outside of the Committee’s party-line approval of the revised realignment proposal, there were two budget actions of note – summarized below – in the justice area. Please be advised that, at this time, the corrections/public safety components of realignment generally consist of a framework of programs and populations to be shifted, with most of the implementation details to be worked out in the coming months. CSAC will keep counties apprised of realignment actions through our larger realignment working group as well as our technical public safety realignment subcommittee.

Judiciary. The Committee approved a \$200 million reduction to the trial court funding, with the majority of the reduction applied to trial courts (\$176.8 million) and the remainder (\$23.2 million) to state operations. In taking this action, the Committee made clear that the reduction will be implemented in a way that is intended to avoid court closures and minimizes the impact on court operations

California Department of Corrections and Rehabilitation (CDCR). The CDCR budget was reduced by \$636 million (\$245 million cut to the receiver’s office and \$391 million to CDCR) to reflect state savings that will be realized if the low-level offender population is shifted to the local level.

GOVERNMENT FINANCE AND OPERATIONS

Redevelopment. The Committee adopted the Governor’s proposal to eliminate redevelopment agencies, including a placeholder for managing the transition and creating successor agencies.

Several Democrats spoke of their regret at voting for the proposal, but also their frustration at being unable to reform the system sufficiently within the bounds of Proposition 22. They said they look forward to creating a new local economic development program over the course of the year. Republicans wanted to score the savings of \$1.7 billion, but leave the issue open to either of a couple of compromises — one that they are creating but have not made public or another that some cities have advocated.

After the Governor released proposed language to implement the dissolution of redevelopment agencies, counties provided technical input to the Department of Finance. Counties would handle many of the ministerial aspects of the transition to successor agencies, and the technical input did not advocate for or against the plan, but merely intended to ensure that implementation would be manageable and efficient if it should occur.

Mandates. The Committee had few decisions to make about state mandated programs because both the Senate and Assembly actions agreed on most of the items. Most notably, both houses voted to suspend the election-related mandates and to defer the \$94 million payment owed to local agencies for pre-2004 mandates.

The Committee rejected the Governor’s proposal to suspend the reimbursable pieces of the Open Meeting/Brown Act mandate, which relate to agendizing public meetings. However, counties should note that language similar to the Governor’s budget proposal also appeared in the Administration’s draft constitutional amendment for realignment.

Libraries. The Governor proposed eliminating \$30.4 million of funding for local libraries, which represents the great majority of local library assistance from the state. The cuts were to eliminate General Fund (GF) support for the Public Library Foundation, the California Library Literacy and English Acquisition Services, and the California Library Services Act. The Committee unanimously voted to restore half of that funding as follows:

- Public Library Foundation: \$3 million
- Service Act: \$8.5 million
- English Acquisition: \$3.7 million

EMPLOYEE RELATIONS

Unemployment Insurance (UI) Fund. The Committee approved a \$362.3 million transfer from the Unemployment Compensation Disability Fund to the GF.

A \$13.4 billion deficit in the UI Fund is expected by the end of 2011, due to an imbalance between annual employer contributions and benefit payouts. To continue paying benefits out of the UI Fund without interruption, the California Employee Development Department borrowed funds from the Federal Unemployment Account starting in January 2009. A \$362.3 million interest payment on this loan is due in September 2011. The transfer approved by the Committee will cover this interest payment with the funds being repaid from the GF over the next four fiscal years.

Veterans Services. While the Committee restored funding for County Veterans Services Offices and the Operation Welcome Home Program, they achieved \$7.1 million in GF savings by delaying the openings of the Veterans Homes of California in Redding and Fresno by three months and phasing in levels of care.

HEALTH AND HUMAN SERVICES

Of the \$12.5 billion in expenditure reductions approved by the Committee, \$6 billion are in health and human services programs. The following is a summary of the actions.

CALWORKS

The Governor had proposed a series of deep CalWORKs cuts, including reducing the time an adult may receive CalWORKs benefits from 60 months to 48 months to save \$158 million in 2011-12, a 13 percent grant cut, and \$377 million cut to the CalWORKs single allocation.

The Committee adopted the following:

- Cutting grants by 8 percent, effective June 1, 2011, which saves approximately \$300 million.
- Approving the Governor's proposal to limit an adult's time on aid from 60 months to 48 months, effective June 1, 2011. This would save the state \$13 million in the current year and \$158 million in 2011-12.
- Additional grant cuts to "child only" CalWORKs cases after 48 months on aid, for a savings of approximately \$100 million.

- \$427 million reduction to the single allocation.
- Enacting an earned income disregard policy in which the first \$100 of relevant income and then 50 percent of all other relevant earnings are disregarded. This would save the state \$112.5 million if the changes are enacted by June 1, 2011. This proposal is a new proposal.
- Expand the state's participation in the subsidized employment program created by AB 98. This change is cost neutral.
- Reductions in the CalLearn program (\$45 million), the elimination of Community Challenge grants (\$20 million), \$5 million reduction for substance use disorder and mental health services for CalWORKs recipients, and \$5 reduction across the SAWS automation systems.

CHILD CARE

The Governor proposed a series of cuts in the child care area (excluding preschool), including a 35 percent subsidy reduction for child care providers, eliminating services for 11- and 12-year-olds, and reducing the income eligibility from 75 percent of the State Median Income (SMI) to 60 percent, for a total of \$716 million in state savings in 2011-12.

The Committee instead took the following actions to save \$501 million:

- **Income eligibility:** Reduce income eligibility for subsidized child care from 75 percent of SMI to 70 percent of SMI. (Governor had proposed 60 percent) for a savings of \$30.084 million.
- **Age eligibility:** De-prioritize 11- and 12-year olds, but prioritize them for before and after school programs. Includes exempted children who are in non-traditional hours of care and children who are disabled, at risk of abuse, or homeless. This action scores a total savings of \$38.5 million.
- **Subsidy reduction and co-pay:** The compromise is a 10 percent increase in the family fee as opposed to the 35 percent co-pay proposed by the Governor, for savings of \$12 million.

Across-the- Board Reduction: The Committee compromise is a reduction of 15 percent across-the-board, excluding CalWORKs Stages 1 and 2, for savings of \$267 million.

Reimbursement - License-exempt: Reduce license-exempt providers from 80 percent to 60 percent of the licensed provider rate for savings of \$44.1 million.

Reimbursement: Approve a reduction of up to 10 percent for the Title 5 Standard Reimbursement Rate, based on final Prop 98 funding package for savings of \$109 million.

ACTION

IN-HOME SUPPORTIVE SERVICES (IHSS)

The Governor had proposed a series of reduction to IHSS program, and assumed an implementation date of July 1, 2011.

Health Care Certification. The Governor proposed to require IHSS recipients to obtain a physician's written certification that personal care services are necessary to prevent out-of-home care.

Both houses of the Legislature approved this provision. The state estimates a savings of \$152 million GF in 2011-12.

Caseload Savings. The Legislature cut \$83.4 million GF from the program due to caseload savings in 2010-11 and 2011-12.

Community First Choice Options. The Legislature adopted \$121 million in GF savings due to expected approval of an additional 6 percent FMAP as a result of IHSS qualifying under the new federal Community First Choice Options.

Service Hour Reductions. The Governor's budget included an 8.4 percent reduction to assessed hours for all IHSS recipients, for a \$127.5 million GF savings in 2011-12.

The Committee instead adopted additional "unspecified" savings of \$128.4 million in the In-Home Supportive Services (IHSS) program to be implemented with trailer bill language.

Eliminate Domestic and Related Services for Certain Recipients. The Governor proposed to eliminate domestic and related services for consumers living with their provider. In addition, his proposal would eliminate domestic and related service hours for recipients under 18 years of age who live with a parent who is able and available to provide these services.

This was not adopted.

Eliminate State Funding for IHSS Advisory Committee. The Administration proposed to eliminate the mandate for counties to establish advisory committees, for GF savings of \$1.6 million in 2011-12.

The Legislature did not eliminate the mandate, and instead reduced funding to local IHSS Advisory Committees by \$1.4 million, retaining \$3,000 for each of the 56 Public Authorities.

MEDI-CAL

The Governor had proposed a series of cost and utilization controls for Medi-Cal in the 2011-12 budget year, including capping doctors visits, limiting over-the-counter drugs, and reducing provider payments. The Committee report differs from the Governor's proposals in many ways. Below is an outline:

- **Cap on Doctor Visits.** The Governor had proposed capping doctor's visit for adult Medi-Cal at 10 per year, but the Committee instead approved a "soft cap" of seven in order to save \$44.9 million GF in Medi-Cal. The soft cap affects both Medi-Cal Fee-for-Services and Managed Care plans, and should the Committee's recommendation be approved by the Legislature and signed by the Governor, is expected to be implemented on October 1, 2011.
- **Increased Co-Pays.** The Committee raised co-pays for Medi-Cal recipients to save the state an estimated \$557.2 million in 2011-12. The co-pays are as follows: \$5 for a physician or clinic visit; \$3 for generic drugs or \$5 per prescription; \$50 for emergency room visits and \$100 per day in the hospital, with a maximum of \$200 per admission; and \$5 for each dental visit.
- **Provider Rate Cut.** The Governor had proposed a 10 percent cut to the payments the state provides to physicians, pharmacies, clinics, medical transport companies, home health providers, Adult Day Health Care (ADHC) (see below for more ADHC news), certain hospitals, and nursing facilities for Medi-Cal services. Governor Brown also proposed reducing payments to long-term care facilities – including nursing homes – but this requires federal approval. If all of Governor's Brown's proposed provider cuts were implemented, it would save an estimated \$9.5 million in the current year and \$709 million in 2011-12.

The Committee approved the provider rate cuts proposed by the Administration – including the long-term care cut – and made a technical adjustment to the action by both houses for an additional savings of \$39 million.

Caps on Supplies and Equipment. The Governor had proposed to cap the annual amount that Medi-Cal would pay for certain equipment and services, including durable medical equipment - \$1,604; incontinence supplies - \$1,659; urological supplies - \$6,435; auditory equipment - \$1,510; and wound care - \$391. The Committee instead only adopted the cap on auditory equipment, and denied caps on the other supplies and equipment.

Eliminate Reimbursement for Over-the-Counter (OTC) Drugs. The Governor had proposed to eliminate Medi-Cal reimbursement for OTC drugs, such as cough and cold

medicines and nutritional supplements for a savings of \$556,000 in 2010-11 and \$16.6 million 2011-12. The Committee concurred, enacting the cut.

FIRST 5 COMMISSION (Proposition 10)

The Governor had proposed a statewide ballot measure to shift \$1 billion in Proposition 10 funding from the state and local First 5 Commissions in 2011-12 to fund Medi-Cal services for children up to age five during that budget year. Governor Brown also wanted to divert 50 percent of the First 5 revenue to the state GF on an ongoing basis in 2011-12.

The Committee instead narrowed the Governor's proposal to a one-time take of \$1 billion in 2011-12 and modified it to be a statutory proposal, instead of a statewide ballot measure.

This one-time take would be accomplished through a two-thirds vote of the Legislature, rather than through a ballot initiative. Fifty percent of each county commission's fund balance as of June 30, 2010, is included in this redirection. The smallest counties (receiving less than \$600,000 in annual Proposition 10 revenue) are excluded from the requirement. Should the Committee's recommendation be approved by the Legislature and signed by the Governor, County commissions would be required to shift these reserves to the State by June 30, 2012.

MENTAL HEALTH SERVICES ACT (Proposition 63)

The Administration proposed redirecting \$861 million in Mental Health Services Act (MHSA) (Proposition 63) funds to be used to reimburse counties for the costs in 2011-12 of administering and funding three mental health programs – the Early Periodic Screening Diagnosis and Treatment (EPSDT) Program, mental health managed care, and special education mental health services for children (AB 3632). The Governor intended the Proposition 63 sweep to be a single-year, one-time solution to backfill the state's obligation for the three programs, and asserted that this proposal could be done statutorily, rather than through a statewide ballot measure and a vote of the people.

The Committee adopted the language to shift \$861 million in Proposition 63 funds from MHSA programs to backfill the state's obligation for the three identified programs. At the time of this writing, the details of the realignment proposal are not yet known, but the three programs are still slated to be realigned to counties beginning in the 2012-13 budget year.

LOCAL MADDY FUNDS TO MEDI-CAL

The Governor had not proposed any fund shifts from local Emergency Medical Services Funds – also known as “Maddy Funds” – but the Committee adopted a new proposal to take \$55 million from local Maddy Funds to pay for uninsured emergency medical services for Medi-Cal recipients. These funds are local funds and are intended to help hospitals, physicians and counties pay for some of the costs of providing emergency services to uninsured patients. Details on how the sweep would occur are not yet available.

HEALTHY FAMILIES PROGRAM (HFP)

The Governor had proposed a series of HFP premium increases and cuts, including eliminating the vision benefit (\$11.3 million GF savings), increasing premiums (\$22.2 million GF savings), and increased co-payments (\$5.5 million GF savings).

The Committee approved the premium increases and co-pay increases as follows:

Premiums:

- **Under 150 percent FPL:** No change.
- **150-200 percent FPL:** Premiums would increase by \$14 per child (from \$16 currently to \$30) and the maximum limit for a family with three or more children would increase by \$42 for a family maximum of \$90.
- **201-250 percent FPL:** Premiums would increase by \$18 per child (from \$24 currently to \$42) and the maximum limit for a family with three or more children would increase by \$54 for a family maximum of \$126.

Co-Pays. The Committee voted to increase HFP co-payments for emergency room visits from \$15 to \$50 and institute inpatient co-pays of \$100 a day with a \$200 maximum. These proposals would take effect on October 1, 2011.

The Committee also chose to retain the HFP vision benefit, but in lieu of elimination, adopted a \$3 million reduction to expenditures associated with both glass frames and lenses and at a lower fee schedule.

CHILD WELFARE SERVICES (CWS)

The Governor had proposed to sustain Governor Schwarzenegger’s \$80 million veto from CWS in the 2011-12 budget year. However, the Administration’s revised realignment proposal includes restoration of the \$80 million by 2013-14. The new proposal, contingent on CWS being realigned to counties, includes \$40 million for CWS in 2012-13 and \$80 million in 2013-14 and each year thereafter.

ACTION

The Governor had also proposed to cut \$19 million GF from the Transitional Housing Program-Plus (THP-Plus), which would have impacted housing and services for 18- and 19-year-olds. The Governor also included this cut in his revised realignment proposal. In 2011-12, \$19 million is included in the child welfare allocation for the THP-Plus program.

CHILD SUPPORT

The Governor had proposed to suspend the county share of child support collections in 2011-12 to gain \$24.4 million in savings. This proposal allows the entire non-federal portion of child support collections to benefit the state GF. The Committee adopted this proposal.

SUPPLEMENTAL SECURITY INCOME/STATE SUPPLEMENTAL PAYMENT (SSI/SSP)

The Governor proposed to reduce monthly SSP grants for individuals to the federally required minimum payment standard, from \$845 to \$830. The grant reduction would be implemented on June 1, 2011, and would save the state \$14.7 million in 2010-11 and \$177.3 million in 2011-12. The Committee approved the grant cut.

AGING

The Governor had proposed eliminating both ADHC and the Multi-Purpose Senior Services Program (MSSP). The ADHC program costs the state about \$176.6 million a year and serves 27,000 seniors each month in 330 centers throughout the state, while the MSSP costs \$19.9 million and serves 11,798 clients a month at 41 sites across the state.

Ultimately, the Committee eliminated ADHC as a Medi-Cal optional benefit to save \$90 million GF, but also directed the creation of a similar new program in the future and provided \$85 million GF to fund this new future program. The Committee also enacted a \$2.5 million cut to the MSSP.

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Release #2368

VOTERS EXPRESS VIEWS ON DEALING WITH THE STATE'S HUGE BUDGET DEFICIT.

By Mark DiCamillo and Mervin Field

A statewide survey undertaken collaboratively by the University of California, Berkeley and *The Field Poll* highlights some revealing findings about how registered voters would prefer dealing with the state's unprecedented \$25 billion budget deficit.

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- ... There is no great willingness on the part of voters to increase taxes as a way of dealing with the huge budget deficit. However, majorities do support of the idea of extending the temporary tax increases enacted by the state several years ago.
- ... A 61% majority prefer calling a special election to allow voters to decide on these issues rather than leaving it to the legislature to act.
- ... If a special election is called, by a 58% to 39% margin, voters endorse the governor's proposal to extend for five more years the one-cent increase in the state sales tax, the ½ percent increase in vehicle license fees and the ¼ percent increase in personal income taxes that the state enacted in 2009.
- ... Pluralities of voters do not support the idea of transferring to the state's general fund dedicated taxes approved by voters in previous elections as a way of mitigating the budget shortfall. These relate to approximately \$1 billion in taxes collected under Prop. 10 in the 1998 election now devoted to early childhood development programs and about \$861 million collected under Prop. 63 from the 2004 election that go to mental health services.
- ... While a majority of voters (52%) prefer eliminating the state budget deficit through a roughly equal mix of spending cuts and increases in tax revenues, voters have a hard time identifying which specific state program areas they would be willing to cut. When asked about fourteen areas of state spending, a majority goes along with cutbacks in just two areas to help reduce the deficit. They are spending for the courts/state judiciary and state prisons and correctional facilities.
- ... Small pluralities oppose cuts in six other spending areas – environmental regulations, state road building and repair, state parks and recreational facilities, public transportation, public assistance to low-income families with dependent children, and water storage and supply facilities.

... There is much greater opposition, ranging from 61% to 74%, to cut six major spending areas – the k-12 public schools, law enforcement and police, health care programs for low income and disabled Californians, higher education including public universities, colleges and community colleges, spending for child care, and mental health services.

These findings are based on telephone interviews with 898 registered voters conducted in English and Spanish February 28-March 14. In addition to UC Berkeley, *The Field Poll* also received funding and support from the California HealthCare Foundation to permit the survey to examine voter priorities in relation to how cutbacks to health programs compare to cutbacks in other state program areas.

How to deal with the state's \$25 billion deficit

Voters generally do not favor simply increasing taxes as a way of dealing with the estimated \$25 billion budget deficit facing the state over the next eighteen months.

Just one in nine registered voters (11%) favor relying mostly on increases in tax revenue as the way to close the deficit. Nearly three times as many (32%) prefer mostly spending cuts as the remedy. The largest group (52%) opt for roughly an equal mix of spending cuts and increases in tax revenues.

Almost two in three Democrats (62%) think the deficit should be handled through an equal mix of spending cuts and tax increases. Twenty percent choose mostly spending cuts and 14% favor mostly tax increases.

The views of Republicans differ greatly from the positions of Democrats. Among GOP voters about half (51%) favor a budget solution based mostly on spending cuts. Another four in ten (40%) of Republicans would be amenable to an equal mix of spending cuts and tax increase. Very few (5%) favor resolving the deficit mostly through tax increases.

The opinions of voters who are registered with neither party fall about mid-way in between.

Table 1
Voter preferences on how state government should deal with its current \$25 billion deficit

	Through an equal mix of spending cuts and increases in tax revenue	Mostly through spending cuts	Mostly through increases in tax revenue	No opinion
Total registered voters	52%	32	11	5
<u>Party registration</u>				
Democrats	62%	20	14	4
Republicans	40%	51	5	4
Non-partisans/others	51%	30	13	6

Paying higher taxes vs. extending temporary tax increases

By a 55% to 43% margin Californians say they are not willing to pay higher taxes for the purpose of helping the state balance its budget. However, by a 61% to 37% margin voters agree with the statement, "I would be willing to extend the temporary tax increases enacted several years ago to help the state balance its budget."

Majorities of Democrats will be willing to take either step. However, Republicans make a clear distinction between the two alternatives. By an overwhelming 78% to 20% margin, they oppose the idea of paying higher taxes. Yet, when it comes to extending the previously enacted temporary tax increases, Republicans are opposed by a narrower five to four margin (55% to 44%).

The views of non-partisan voters on these issues are similar to those of Democrats.

Table 2
Willingness of voters to extend temporary tax increases vs. paying higher taxes to help the state balance its budget

	Agree	Disagree	No opinion
<i>"I would be willing to extend the temporary tax increases enacted several years ago to help the state balance its budget."</i>			
Total registered voters	61%	37	2
<u>Party registration</u>			
Democrats	69%	29	2
Republicans	44%	55	11
Non-partisans/others	69%	27	4
<i>"I would be willing to pay higher taxes to help the state balance its budget."</i>			
Total registered voters (March 2011)	43%	55	2
April 2009	40%	58	2
<u>Party registration (March 2011)</u>			
Democrats	53%	45	2
Republicans	20%	78	2
Non-partisans/others	53%	45	2

Note: Extending temporary tax increases not asked in previous measures.

Special election preferred over having the legislature deal with the deficit

Governor Jerry Brown is proposing to call a statewide special election in June to ask voters to approve a number of tax proposals to deal with budget deficit. Voters in this survey were asked whether they favored calling a special election to deal with these proposals or leaving the matter to the Democrats and Republicans in the state legislature to come to an agreement on a budget.

Overall, about six in ten (61%) prefer calling a special election to settle the budget issues. Just 36% prefer leaving it to the legislature to decide.

Large majorities of Democrats (62%) and non-partisans (65%) favor calling a special election. Republicans also support calling a special election 56% to 42%.

Table 3
California voter opinions about calling a special election on taxes vs. having the legislature agree on a budget without a special election

	Favor calling special election	Prefer legislature agreeing on budget without special election	No opinion
Total registered voters	61%	36	3
<u>Party registration</u>			
Democrats	62%	35	3
Republicans	56%	42	2
Non-partisans/others	65%	30	5

Brown’s tax extension proposal endorsed five to three

Voters in the survey were asked to react to the governor’s main proposal to increase tax revenues in a special election. The question was posed in this manner:

“The governor is proposing to extend for five more years the one-cent increase in the state sales tax, the ½ percent increase in vehicle license fees and the ¼ percent increase in personal income taxes that the state enacted in 2009. Some of the money would be transferred to local governments for schools, public safety and other services. If the statewide special election were held today, would you vote yes to approve this extension of taxes or no to return these taxes to their previous levels?”

In this setting, by a 58% to 39% margin, voters say they would vote yes to support the governor’s proposal.

Democratic voters (69%) and non-partisans (66%) heavily endorse the governor’s proposal. This is in sharp contrast to the views of Republicans, who are opposed 61% to 35%.

Table 4
If a special election is held, voter preferences on the governor’s proposal to extend the temporary tax increases enacted in 2009 for another five years

	Would vote Yes	Would vote No	No opinion
Total registered voters	58%	39	3
<u>Party registration</u>			
Democrats	69%	29	2
Republicans	35%	61	4
Non-partisans/others	66%	29	5

Voters cool to two other budget-related plans

Two other proposals are being considered as ways for the state to increase its general fund tax revenues.

One would transfer to the state general fund about \$1 billion in taxes collected under Prop. 10 from the 1998 election that are currently devoted to early childhood development programs. By a narrow 46% to 41% margin voters are against this proposal. Democrats divide 48% in favor and 44% against. Republicans are opposed 54% to 30%, while non-partisans are about evenly divided.

The other proposal would transfer to the state general fund about \$861 million in taxes collected under Prop. 63 from the 2004 election that are devoted to mental health services. Voter sentiment toward this proposal is quite negative, with voters opposed 54% to 37%. Majorities of all partisan subgroups are opposed to this proposal.

Table 5
Voter preferences regarding two other budget-related proposals

	Favor	Oppose	No opinion
<i>Transferring to the state general fund about \$1 billion in taxes collected under Prop. 10 from 1998 now devoted to early childhood development programs</i>			
Total registered voters	41%	46	13
<u>Party registration</u>			
Democrats	48%	44	8
Republicans	30%	54	16
Non-partisans/others	43%	41	16
<i>Transferred to state general fund about \$861 million in taxes collected under Prop. 63 from 2004 now devoted to mental health services</i>			
Total registered voters	37%	54	9
<u>Party registration</u>			
Democrats	38%	53	9
Republicans	36%	55	9
Non-partisans/others	38%	56	6

Majority supports cutting only two of fourteen state spending categories.

The survey finds that voters overall are disinclined to support cutbacks to most state programs and services. There is majority support among voters for reducing just two of fourteen spending categories. These relate to courts and state judiciary (59%) and spending for state prisons and correctional facilities (59%).

Relatively small pluralities of voters oppose making cuts to six other state spending categories. These are environmental regulation, state road and highway building and repair, state parks and recreational facilities, public transportation, water storage and supply facilities, and public assistance to low-income families with dependent children. Previous *Field Poll* surveys showed larger majorities opposed to cutting each of these services than do so at the present time.

Table 6a			
State spending categories where 40% or more support cutting to help reduce the state budget deficit (among registered voters)			
	Favor cuts to this area	Oppose cuts to this area	No opinion
The courts and state judiciary			
March 2011	59%	33	8
State prisons and correctional facilities			
March 2011	59%	35	6
Late April 2009	59%	38	3
May 2008	46%	50	4
July 2002	46%	49	5
Environmental regulation			
March 2011	47%	59	4
Late April 2009	40%	56	4
May 2008	39%	56	5
July 2002	40%	55	5
State road and highway building and repair			
March 2011	46%	49	5
Late April 2009	43%	54	3
May 2008	36%	62	2
July 2002	37%	59	4
State parks and recreational facilities			
March 2011	45%	52	3
Late April 2009	51%	47	2
May 2008	38%	59	3
July 2002	41%	55	4
Public transportation			
March 2011	45%	53	2
Late April 2009	43%	55	2
May 2008	30%	67	3
July 2002	34%	62	4
Public assistance to low-income families with dependent children			
March 2011	44%	50	6
Water storage and supply facilities			
March 2011	40%	49	11
Late April 2009	31%	63	6
May 2008	29%	64	7
July 2002	27%	65	8

Note: "Public assistance to low income families with dependent children" and "The courts and state judiciary" not measured in previous surveys.

Heavy opposition to cutting six major spending areas

Large majorities of voters, ranging from 61% to 74%, oppose cuts in six major state spending categories. They include the public schools (74%), law enforcement and police (69%), healthcare programs for low income Californians and the disabled (69%), higher education, including public universities, colleges and community colleges (64%), child care programs (62%) and mental health programs (61%).

Current voter opinion against spending reductions in these six budget categories is generally similar to what was reported in previous *Field Poll* surveys conducted in 2002, 2008, and 2009.

Table 6b
State spending categories that large majorities oppose
cutting to help reduce the state budget deficit
(among registered voters)

	Oppose cuts to this area	Favor cuts to this area	No opinion
The public schools			
March 2011	74%	24	2
Late April 2009	73%	25	2
May 2008	80%	20	*
July 2002	78%	20	2
Law enforcement and police			
March 2011	69%	28	3
Late April 2009	74%	23	3
May 2008	71%	26	3
July 2002	74%	23	3
Health care programs for low income Californians and the disabled			
March 2011	69%	28	3
Late April 2009	72%	26	2
May 2008	77%	20	3
July 2002	76%	21	3
Higher education, including public universities, colleges and community colleges			
March 2011	64%	34	2
Late April 2009	67%	31	2
May 2008	71%	28	1
July 2002	66%	32	2
Child care programs			
March 2011	62%	36	2
Late April 2009	66%	30	4
May 2008	70%	26	4
July 2002	70%	25	5
Mental health programs			
March 2011	61%	33	6
Late April 2009	66%	31	3
May 2008	73%	24	3
July 2002	72%	25	3

* Less than 1/2 of 1%.

How harmful would additional cuts be to major state programs

The survey asked voters how harmful they believe it would be to make additional cuts in five spending areas in the event that legislators or voters do not approve of the governor’s tax proposals.

In response, 62% of voters feel additional cuts to k-12 public schools would be very harmful, while another 22% say they would be somewhat harmful.

Slightly more than half of voters (51%) say that further cuts to health care programs for low income Californians and the disabled would be very harmful, and 35% view them as somewhat harmful.

For higher education 43% believe further cuts would be very harmful and 36% somewhat harmful.

Thirty-nine percent think it would be very harmful to the program of public assistance to low income families with dependent children, and another 42% view them as somewhat harmful.

Less than one in five (19%) think that additional spending reductions in state prisons and corrections would be very harmful, while 37% feel they would be somewhat harmful..

Relatively small proportions of voters feel it would not be too harmful to make additional budget reductions to the k-12 public schools, health care programs, higher education and public assistance. However, in one category, spending for state prisons and corrections, four in ten (40%) think additional cutbacks would not be too harmful.

Table 7
How harmful would additional spending cuts be to various areas of state spending if the legislature or voters do not approve of the governor’s tax proposals (among registered voters)

	Very harmful	Somewhat harmful	Not too harmful	No opinion
K-12 public schools	62%	22	15	1
Health care programs for low income Californians and the disabled	51%	35	12	2
Higher education	43%	36	20	1
Public assistance to low income families with dependent children	39%	42	17	2
State prisons and corrections	19%	37	40	4

Awareness of past actions taken to reduce budget deficits

The state enacted a temporary increase in the state sales tax, vehicle license fees and state income tax in 2009. More than two in three voters (68%) say that they are aware of this action, while less than one third say they are not. Fewer voters (51%) report being aware of the fact that the state has reduced general fund spending by about \$16 billion over the past three years.

Table 8		
Awareness of past actions taken by state government to reduce its budget deficits (among registered voters)		
	Temporarily increasing the state sales tax, vehicle license fees, and state income tax in 2009	Cutting state general fund spending by \$16 billion over past three years
Yes, aware	68%	51%
No, not aware	32	49

– 30 –

Information About The Survey

Methodological Details

The findings in this report are based on a survey conducted collaboratively by UC Berkeley and *The Field Poll*. Additional funding and support was provided by the California HealthCare Foundation.

The survey was completed February 28 – March 14, 2011 among a random sample of 898 registered voters in California. In order to cover a broad range of issues and minimize respondent fatigue, some of the questions were asked of random subsamples of either 454 or 444 voters each.

Interviewing was conducted by telephone in English and Spanish using live interviewers working from Field Research Corporation’s central location telephone interviewing facilities. Up to six attempts were made to reach, screen and interview each randomly selected voter on different days and times of day during the interviewing period.

Interviewing was completed on either a voter’s landline phone or a cell phone depending on the source of the telephone listing from the voter file. After the completion of interviewing, the overall registered voter sample was weighted to *Field Poll* estimates of the characteristics of the registered voter population in California by region, age, gender, race/ethnicity and party registration.

Sampling error estimates applicable to the results of any probability-based survey depend on sample size as well as the percentage distribution being examined. The maximum sampling error estimates for results based on the overall registered voters sample is +/- 3.4 percentage points at the 95% confidence level, while findings based on the random subsample of voters have a sampling error of +/- 4.8 percentage points. The maximum sampling error is based on results in the middle of the sampling distribution (i.e., percentages at or near 50%). Percentages at either end of the distribution (those closer to 10% or 90%) have a smaller margin of error. Findings from subgroups of the overall sample have somewhat larger sampling error levels.

There are other potential sources of error in surveys besides sampling error. However, the overall design and execution of the survey sought to minimize these other possible sources of error.

The Field Poll was established in 1947 as *The California Poll* by Mervin Field, who is still an active advisor. The Poll has operated continuously since then as an independent, non-partisan survey of California public opinion. The poll receives annual funding from media subscribers of *The Field Poll*, from several California foundations, and from the University of California and California State University systems, who receive the raw data files from each *Field Poll* survey shortly after its completion for teaching and secondary research purposes.

Questions Asked

State government is facing a budget deficit estimated to be about 25 billion dollars over the next 18 months. How would you prefer that the state deal with this deficit? Should the state deal with the deficit mostly by reducing the amount it spends on services, mostly through increases in taxes or through a roughly equal mix of spending cuts and tax increases?

I am going to read some areas of state government spending. For each, please tell me whether you favor or oppose making cuts to this area as a way to reduce the state budget deficit. (ITEMS READ IN RANDOM ORDER) Do you favor or oppose making cuts to this area in order to reduce the state budget deficit? (SEE RELEASE FOR ITEMS READ) (EACH ASKED OF A RANDOM SUBSAMPLE OF VOTERS)

Please tell me whether you agree or disagree with each of the following statements (STATEMENTS READ IN RANDOM ORDER) Do you agree or disagree?

I would be willing to pay higher taxes to help the state balance its budget

I would be willing to extend the temporary tax increases enacted several years ago to help the state balance its budget

Because the state faced budget deficits in previous years, to help balance its budget, in 2009 the governor and the state legislature temporarily increased for two years the state sales tax by one cent, increased fees on vehicle licenses by one-half of one percent, and increased state personal income taxes by one-quarter of one percent. Before I mentioned this, were you aware that the state had temporarily increased taxes in this manner in 2009 or not? (ASKED OF A RANDOM SUBSAMPLE)

Because the state faced budget deficits in previous years, over the past three years the governor and the state legislature reduced general fund spending by about 16 billion dollars, from 103 billion dollars to 87 billion dollars last year. Before I mentioned this, were you aware that the state had reduced its general fund spending in recent years or not? (ASKED OF A RANDOM SUBSAMPLE)

Governor Brown is proposing to call a statewide special election this June to ask voters to approve a number of tax proposals to deal with the budget deficit. Do you favor calling a special election where voters decide on taxes or would you prefer that Democrats and Republicans in the legislature agree on a budget without this special election?

The governor is proposing to extend for five more years the one-cent increase in the state sales tax, the one-half percent increase in vehicle license fees and the one-quarter percent increase in personal income taxes that the state enacted in 2009. Some of the money collected would be transferred to local governments for schools, public safety and other services. If the statewide special election were held today, would you be vote yes to approve this extension of taxes or no to return these taxes to their previous level?

If a special election were held, voters would also be asked to vote on a proposal to transfer to the state's general fund about one billion dollars collected under Proposition 10 of 1998 that are now devoted to early childhood development programs under the California Children and Families Program. If the special election were held today, would you vote yes to approve or no to reject this proposal?

If a special election were held, voters would also be asked to vote on a proposal to transfer to the state's general fund about 861 million dollars collected under Proposition 63 of 2004 that now is devoted to mental health services under the Mental Health Services Act. If the special election were held today, would you vote yes to approve or no to reject this proposal?

If the state legislature or voters do not approve the governor's proposals to increase tax revenues, in order to balance its budget the state would have to make large additional spending cuts to the general fund on top of those already proposed by the governor. I am going to read some of the state's largest program areas that would likely be cut if this were to happen. For each, please tell me how harmful you feel additional spending cuts would be to these programs. (ITEMS READ IN RANDOM ORDER) How harmful would additional spending cuts be to (ITEM) – very harmful, somewhat harmful, or not too harmful? (SEE RELEASE FOR ITEMS READ)

REDEVELOPMENT REFORM & REPOSITIONING PLAN

The proposal to abolish redevelopment is fraught with constitutional and pragmatic problems that are unlikely to produce legitimate and reliable state budget solutions. Further, there are too many critical details that cannot be responsibly addressed within the time period remaining. Since many legislators are looking for redevelopment reforms rather than elimination, the following plan is proposed.

Phase I

Enact legislation as part of the budget package containing the following two provisions:

1. Enact a 1-year moratorium on *new plan adoptions and amendments adding territory* while legislation is prepared and enacted refocusing redevelopment activity, as described below. (Provide exceptions for plan adoptions and amendments in process).
2. Require the Controller to revise the Guidelines for Compliance Audits of Redevelopment Agencies at least every 5 years. Consolidate redevelopment agency reporting into a single annual report to the Controller.

Phase II

Objective: Reposition redevelopment activities to be more in line with State policy objectives by: (A) focusing expenditures of redevelopment funds on activities that align with enumerated State policies, and (B) enact reforms to improve the use and accountability of affordable housing funds. Reforms can include the following:

- Adopt various reforms regarding use of low income housing funds including limitations on project administration and other significant changes to make agencies spend housing funds more efficiently and produce more low income housing units.
- Authorize an agency to provide direct assistance to businesses within project areas in connection with new or existing facilities for industrial or manufacturing and similar uses of state-wide benefit, including loans, loan guarantees and other financial assistance, based on strict job creation criteria.
- Authorize agencies to make loans and use other redevelopment tools to facilitate intensified infill development of areas targeted for such development in the region's approved sustainable communities strategy, including provision of jobs and commercial facilities close to residential areas and compact development of housing, especially in proximity to transit.
- Authorize agencies to make loans to owners and tenants to rehabilitate structures in the project area to reduce greenhouse gasses or increase energy efficiency.
- Remediating contaminated property and buildings.
- Assisting with military base conversion.
- Constructing basic infrastructure (excluding public buildings).

**OFFICE OF THE COUNTY ADMINISTRATOR
CONTRA COSTA COUNTY**

TO: Legislation Committee
Supervisor Karen Mitchoff, Chair
Supervisor John Gioia, Vice Chair

FROM: Lara DeLaney, Legislative Coordinator

DATE: March 15, 2011

SUBJECT: **Agenda Item #5: Realignment and State Constitutional Amendment**

RECOMMENDATION

ACCEPT report on the Realignment proposal and related matters and provide direction, as necessary.

REPORT

CSAC, with the assistance of county counsels, has prepared the attached white paper "What's In the Administration's Proposed Constitutional Amendment?" (*Attachment A.*) This document outlines the provisions of the constitutional amendment, the remaining shortfalls of the measure, and the potential alternatives should the Legislature not pass the measure or be approved by the voters. Accompanying that document is the February 10, 2011 LAO letter to Senator Leno outlining a scenario for an all-cuts budget. (*Attachment B.*)

Here's a sampling of what the Analyst's Office proposed as alternatives to higher tax extensions proposed by Brown (savings in parentheses):

K-12 Schools

- Eliminate K-3 class size reduction (\$1.275 billion)
- Require that kindergarteners be 5 years old at enrollment in 2011-12 (\$700 million)

Community Colleges

- Impose a 90-unit cap on each student's taxpayer-subsidized credits (\$250 million)
- Increase community college fees from \$26/unit to \$66/unit (\$170 million)
- Eliminate state subsidy for intercollegiate athletics (\$55 million)

Universities

- Increase tuition another 7 percent for UC and 10 percent for CSU (\$270 million)
- Reduce CSU enrollment by 5 percent (\$124 million)
- Reduce personnel costs by 10 percent at UC and 5 percent at CSU (\$408 million)

Health and Social Services

- Reduce state-paid IHSS provider salary to minimum wage (\$300 million)

- Eliminate food and cash aid for noncitizens whom courts have determined can receive benefits (\$190 million)
- Stricter income eligibility for welfare-to-work recipients (\$180 million)

Criminal Justice and Judiciary

- Require second and third "strikes" to be serious or violent in "Three Strikes" sentencing (\$50 million)
- Eliminate funding for public safety grant programs (\$506 million)
- Automated speed enforcement cameras (\$150 million)
- Two furloughs a month for court employees (\$130 million)

General Government

- Reduce state employee pay an additional 9.24 percent, equal to two furlough days (\$700 million)
- Reduce state contribution to employee health care by 30 percent (\$330 million)
- End state general fund support for Small Business Loan Guarantee Program (\$24 million)
- Eliminate Department of Fair Employment and Housing and state commission (\$17.2 million)

Transportation

- Enact another accounting swap that eliminates sales tax on diesel and increases weight fees, reducing funds for local transit and intercity rail (\$400 million)

Resources and Environmental Protection

- Allow oil drilling at Tranquillon Ridge (\$100 million)
- Reduce wildland firefighting costs by imposing a new fee on residential property owners in areas protected by the state, clarifying that the state is not fiscally responsible for loss of life and property and shrinking territory for which state is responsible (\$300 million)

What's In the Administration's Proposed Constitutional Amendment?

This document summarizes the provisions of the Administration's proposed constitutional amendment, as amended to address many of the concerns raised by counties, examines the remaining shortfalls of the measure, and discusses potential alternative budget scenarios that could result if 2011 Realignment fails to pass the Legislature or be approved by the voters.

The Administration's proposed Constitutional Amendment (CA) would provide counties constitutional protections primarily based on lessons learned from previous restructuring efforts; these protections exceed those in the 1991 realignment, trial court reforms, or recent juvenile justice realignments. Under the proposed CA, counties would have the ability to rely on a **constitutionally dedicated revenue source** for realigned programs, as well as benefit from certain mitigations that limit, but do not eliminate, future financial risk.

Realignment Revenue Sources are Dedicated. Primarily, the proposed constitutional amendment guarantees and dedicates funds generated from a specific revenue source (1% of the sales and use tax rate and 0.50% of the Vehicle License Fee rate for the first five years) to counties to fund realigned programs.

After the taxes expire (2016-17 and after), the State must provide revenues to fund realigned programs in an amount equal to or greater than the amount of revenue that would have been generated by the 1% sales and use tax rate and 0.50% of the Vehicle License Fee rate for as long as the realigned programs remain the responsibility of counties.

If the State fails to annually appropriate the funds, the Controller is directed to transfer funds from the General Fund to the Local Revenue Fund 2011 in an amount equal to or greater than the amount that would have been generated by the 1% sales and use tax rate and 0.50% of the Vehicle License Fee rate. Although this constitutional obligation is a priority payment lower than school funding and general obligation bond debt, there is sufficient revenue capacity to meet this obligation.

Timing and Scope: Implementing Statutes are Critical. The State has the remainder of the legislative year to enact "2011 Realignment Legislation." (The specified date is October 9, 2011, the final day for the Governor to act on bills passed at the end of the current legislative year.) This implementing legislation will provide for the assignment of public safety service responsibilities to counties, and the constitutional amendment requires the implementing legislation to provide maximum flexibility and control over the design and delivery of such services consistent with federal law and funding requirements.

This section of the Constitution broadly defines “Public Safety Services” to describe the listing of programs in the Governor’s revised realignment proposal.

The 2011 Realignment Legislation will specify the details of the method for determining the amount of revenue to be transferred to counties after the tax extensions expire, in 2016-17 and each year thereafter, and it will specify the detailed requirements for the Controller to disburse realignment funds to counties in the event the Legislature fails to timely appropriate those funds. The 2011 Realignment Legislation must also specify the mechanism for identifying and providing funding to counties for the State’s 50 percent share of new costs associated with federal changes in the realigned programs.

Future Program Changes. Any State legislation enacted after October 9, 2011 that has the overall effect of increasing costs to counties for realigned programs or levels of service (with the exception of new crimes) shall apply only to the extent the State provides annual funding for the cost increase. Counties are not obligated to provide programs or levels of service required by legislation above the level for which funding has been provided. The language provides the same protections for regulations, executive orders, or administrative directives that are not necessary to implement the 2011 Realignment Legislation and that have an overall effect of increasing costs to counties. Finally, the State must provide similar funding for federal plans or waivers, or amendments to those plans or waivers, that have the overall effect of increasing costs to counties.

The costs of future program changes may not be funded from 2011 Realignment funds, ad valorem property taxes, or the Social Services Subaccount from 1991 Realignment.

Program changes that result from a request by a local agency (meaning a Board of Supervisors resolution to sponsor a bill) or to comply with federal law are not required to be funded under this provision.

Shared Risk for Federal Law Changes, Judicial Decisions, and Penalties. For social services, mental health, and substance use disorder programs, the State will be required to provide at least 50 percent of the non-federal share of the costs associated with subsequent changes in federal law and regulations that alter the conditions under which federal matching funds are obtained and have the overall effect of increasing county costs.

In the event that there is a settlement or judicial or administrative order that imposes a cost in the form of a monetary penalty or has the overall effect of increasing a county’s costs, the State shall provide at least 50 percent of the non-federal share of those costs as determined by the State.

Where the CA Falls Short

The language of the CA is not perfect nor does it include all protections counties might wish to see. The risk of accepting new responsibilities along with a new revenue source and operating programs within that revenue source is a risk fundamental to realignment. As a result, counties will have to live within the performance of the dedicated sales tax and VLF revenue. While counties could benefit from growth over time, we could also experience shortfalls if the revenues underperform. To mitigate these constraints, counties must have the flexibility to manage programs locally to the greatest extent possible. Part of living within the revenue provided means that counties will have to make decisions on how to allocate the available funds among realigned programs.

Remaining risks are outlined below:

Ability to Enforce Continuous Appropriation (Years 1-5): The constitutional amendment language requires that the dedicated tax revenue be deposited in the state Local Revenue Fund 2011. In the first year, the Legislature then provides a continuous appropriation of that revenue to fund realigned programs. Counsels point out that, should the Legislature fail to continuously appropriate these funds or redirect them otherwise, the courts could find that the State has violated the Constitution, but not order the Legislature to act or appropriate funds, something the courts have been loathe to do.

In attempting to quantify this risk, we look to the continuous appropriation set up in the 1991 Realignment. Since then, the Legislature has not taken any action to either undo the continuous appropriation or transfer those funds. Further, there would be a serious political risk for the Legislature to do so, given that voters would be much less likely to approve additional revenues to continue to fund realignment of critical public safety and safety net programs after the temporary taxes expire.

Ability to Enforce 50/50 Share of Cost for New Federal Requirements: A similar risk exists in the language that provides for the State to appropriate at least 50 percent share of costs of new federal requirements, including penalties, or for cost increases that result from federal judicial actions. If the State fails to meet its minimum 50 percent funding obligation, the courts would not order the Legislature to appropriate those funds. However, under the status quo (existing Proposition 1A/SB 90 mandate protections), local agencies are currently not entitled to reimbursement for any costs associated with new programs or higher levels of service imposed by federal law or judicial decision. For existing realignment, those new costs are shared under existing sharing ratios. Currently, federal penalty costs are shared pursuant to statutory sharing ratios that can be changed by the Legislature at any time.

Non-supplantation Language: The Administration's proposed language includes a prohibition from using 2011 Realignment funds to supplant existing

spending on realigned programs. This provision will require counties to continue funding existing programs, services, and administrative costs with county general fund revenue to the extent such funding is provided as of the effective date of the measure, and require a maintenance of effort for some programs.

Authorizes Third-Party Lawsuits: The proposed language authorizes an “appropriate party” to seek judicial relief if the state or local agency fails to perform a duty or obligation in realigned programs and states that such proceedings have priority over all other civil matters. This provision gives third parties standing in the constitution to sue counties for failing to adequately perform realigned programs, though for many, if not most, of the realigned programs, third parties have standing to sue under existing law. Thus, this provision does not represent a significant change over the status quo.

No Protection for Outcomes of State Court Decisions: The language does not offer protections to counties from state court outcomes. However, counties have legal standing to intervene in state court cases.

Realignment Responsibilities, Including State Regulations, Not Subject to Mandate Claim or Reimbursement: New programs or higher level of service responsibilities associated with the 2011 Realignment would not be subject to the protections provided by Article XIII B, Section 6 (existing Proposition 1A/SB 90 mandate protections). This includes state regulations that are issued to implement the 2011 Realignment Legislation. Counsels have advised us that the State could promulgate regulations that they claim are necessary to implement the 2011 Realignment Legislation, and the courts would be reluctant to second guess a legislative or executive determination that a new program or higher level of service is necessary to implement 2011 Realignment Legislation.

What Is the Alternative?

It has been difficult for anyone in Sacramento to quantify an alternative state budget outcome that does not rely on a balanced approach – a combination of program cuts and new revenue – should the Legislature fail to garner the votes necessary to place the constitutional amendment before the voters or should the voters reject the ballot measure. However, we know that there are a number of ways for the State to achieve General Fund savings with a majority vote that can profoundly impact counties. In fact, recent events have suggested some possibilities, which we outline below.

Statutory implementation of “realignment”: With the passage of Proposition 25, the Legislature can pass bills necessary to implement the budget with a majority vote. State budget decisions that shift responsibilities and/or costs to counties without any revenue are possible, if not likely, particularly in the public safety area. (Obviously, without the tax extensions, the funding from the VLF currently provided to local public safety grant programs would expire.)

Permanent program reductions: Because the State has limited ability to reduce its budget, given Proposition 98 and federal constraints, permanent program cuts that have the effect of shifting significant costs to counties, primarily in the health and human services area, are likely. (See February 10, 2011 Legislative Analyst's Office letter to Senator Leno, attached.)

Failure to ratify the gas tax swap: After Proposition 26, a 2/3 vote is necessary to ratify the gas tax swap. Failing to ratify the gas tax swap would result in a \$2.5 billion reduction in transportation funding; further, an additional \$1 billion in state transportation funds could be diverted for General Fund relief by majority vote, resulting in a total annual loss of \$3.5 billion.

Additional fund sweeps: Any revenues or special funds not protected by the Constitution can be diverted to the state General Fund. Counties can anticipate sweeps – such as the EMS Maddy Fund proposal in the pending state budget – on a much larger scale.



February 10, 2011

Hon. Mark Leno
Senator, 3rd District
Room 5100, State Capitol
Sacramento, California 95814

Dear Senator Leno:

This letter responds to your request that our office develop a list of alternative actions to balance the 2011-12 state budget assuming that the Legislature or the voters reject the Governor's major tax increase and tax extension proposals. Consistent with your staff's directions to us, the alternatives described in this letter include only the following:

- Expenditure reductions.
- Shifts, or transfers, of existing state or local funds to benefit the General Fund.
- Increases of non-tax revenues.

We were informed that we were to include neither additional proposals that needed voter approval to achieve savings nor additional borrowing from special funds.

BACKGROUND

Our Overall Approach. We were asked to assume that *all* of the Governor's non-tax-related budget proposals—which principally consist of spending reductions—are adopted and achieve their full intended savings in 2011-12. These proposals already involve significant reductions in virtually all state program areas. In coming up with additional solutions of roughly the same magnitude, we have had to identify alternatives involving major reductions in service and benefit levels and dramatic changes in the way that many programs would be delivered by the state and local governments. While we have recommended in recent years some variation of many of the alternatives provided in this letter, we have had to go far beyond our normal comfort level in order to meet the requested solutions target. Some of the listed actions would have serious impacts on individuals, programs, and local governments. As such, our alternatives described below should be viewed as an illustration of the types of solutions that would be needed under your given scenario.

Amount of Alternative Actions Required. The Governor's budget includes \$14 billion of proposed revenue increases. Consistent with your staff's instructions, we assume that only four of these revenue proposals are approved: the tax amnesty, the Financial Institutions Records Match system, the extension of the existing Medi-Cal hospital fee, and the continued collection of charges assessed on managed care plans. The administration estimated that the net revenue

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Hon. Mark Leno

2

February 10, 2011

increase from these proposals in 2010-11 and 2011-12 would equal \$515 million. We also assume the accuracy of the administration's 2010-11 and 2011-12 forecasts for revenues, the economy, caseloads, and other "baseline" program costs. Finally, we assume that the Legislature's final budget package includes a state budget reserve of around \$955 million at the end of 2011-12 (consistent with the Governor's budget proposal). We would also note that the Governor's recent decision not to proceed with the sale/lease-back of state buildings and to offer alternative actions may lead to some diminution of our suggested solutions.

Given these assumptions, alternative actions needed to balance the 2011-12 budget must produce General Fund savings of \$13.5 billion. Accordingly, this letter identifies \$13.5 billion of alternate budget-balancing options for the Legislature. The General Fund benefits listed for some of the options represent our initial estimates. Should the Legislature wish to pursue any of these options, refinement of these savings estimates would be required.

Full-Year 2011-12 Savings Still Require Early Legislative Action. We attempted to identify alternate budget actions with a realistic chance of achieving budgeted savings for 2011-12. While cuts of this magnitude inherently carry significant legal and implementation risks, we have tried to minimize these risks and incorporate our best understanding of current case law and other limitations on spending reductions. In general, our alternatives assume a full year of savings in 2011-12. Given federal notice requirements regarding many programs, implementation planning time needed for both the state and local governments, and the need for voter approval for a few of our alternatives, the Legislature would need to adopt many proposals by early March 2011.

ALTERNATIVE BUDGET ACTIONS

Figure 1 (next page) provides a summary of the alternative budget actions we have identified and their estimated General Fund benefit in 2011-12. (A more detailed list is included in this letter's appendix.) The \$13.5 billion of budget-balancing alternatives are displayed by major policy area: K-14 education (\$5.2 billion), higher education (\$1.1 billion), health and social services (\$1.2 billion), criminal justice and the judiciary (\$2.6 billion), general government and local government (\$1.8 billion), and resources and transportation (\$1.6 billion).

Alternatives for Education. The K-14 and higher education budgets present some unique issues in arriving at our alternative budget actions. We discuss these issues in more detail below.

K-14 Education

The result of removing the Governor's tax proposals is an approximately \$2 billion decline in the Proposition 98 minimum guarantee for 2011-12. Balancing the budget with the constraints you have given us, however, would require even larger reductions in K-14 funding. As such, our list of alternatives includes a total of \$4.8 billion in Proposition 98 reductions—\$2 billion due to the assumed rejection of the Governor's tax proposals, plus an additional \$2.8 billion to help bring the budget into balance. In this scenario, a suspension of Proposition 98 in 2011-12 would be required. (When Proposition 98 is suspended, a "maintenance factor" obligation is created that requires funding eventually to be returned to the higher long-term level that would have resulted absent the suspension.)

Hon. Mark Leno

3

February 10, 2011

Figure 1	
Additional Actions to Balance the 2011-12 Budget²	
<i>General Fund Benefit (In Millions)</i>	
K-14 Education (see Figure 2)	
Suspend Proposition 98	
Reduce K-12 funding	\$4,103
Reduce community college funding	685
Suspend or eliminate Quality Education Investment Act and other K-14 actions	451
Subtotal	(\$5,239)
Higher Education (see Figure 3)	
Reduce UC and CSU appropriations further	\$847
Reduce financial aid	209
Subtotal	(\$1,056)
Health and Social Services	
Reduce state participation in IHSS provider wages to minimum wage	\$300
Eliminate California Food Assistance Program and Cash Assistance Program for Immigrants for legal noncitizens	190
Reduce CalWORKs earned income disregard	180
Eliminate full-scope Medi-Cal benefits for certain immigrants	120
Other health and social services actions	360
Subtotal	(\$1,150)
Criminal Justice and Judiciary	
End support for various public safety grant programs (such as Citizens' Option for Public Safety and booking fees)	\$506
Reject various proposed prison system augmentations	425
Delay court construction projects for one year and transfer funds from Immediate and Critical Needs Account	250
Shift funding and responsibility for adult parole and parole violators to local governments	240
Achieve additional judicial branch savings (in addition to Governor's proposed \$200 million unallocated reduction)	156
Implement automated speed enforcement (LAO version)	150
Other criminal justice and judiciary actions	887
Subtotal	(\$2,612)
General Government and Local Government	
Reduce state employee pay an additional 9.24 percent (equivalent to two furlough days) through legislation	\$700
Reduce state contributions to employee health care by 30 percent through legislation	330
Count all redevelopment revenues to K-14 agencies as local property taxes	275
Halt all bond sales and pay-as-you-go infrastructure projects	227
Other actions, such as eliminating state agencies and scaling back some IT projects	264
Subtotal	(\$1,796)
Transportation and Resources	
Reduce tax-funded special fund programs and redirect funding to General Fund	\$752
Eliminate sales tax on diesel, increase vehicle weight fees, and redirect funding for local transit and intercity rail to provide General Fund relief	400
Reduce General Fund costs for wildland firefighting	300
Allow drilling at Tranquillon Ridge	100
Other transportation and resources actions	98
Subtotal	(\$1,650)
Total, All Actions	\$13,505

² The appendix to this letter includes a more detailed listing of these actions

Hon. Mark Leno

4

February 10, 2011

Many Options Could Be Coupled With Policy Changes to Reduce Costs. Figure 2 illustrates the manner in which Proposition 98 reductions could be allocated. In several cases, we identify policy changes intended to help school districts cope with the loss of funding. For example, the state could eliminate the K-3 Class Size Reduction (CSR) program and allow classes in the early grades to exceed 20 students. The state also could modify recent statute to require children to be five years of age prior to enrolling in kindergarten beginning in 2011-12. As a result of this policy change, we estimate approximately 135,000 students (as measured by average daily attendance) would no longer enroll. This, in turn, would allow many districts to reduce the number of kindergarten classes they offer and kindergarten teachers they hire—potentially

Figure 2	
Additional K-14 Education Budget Actions	
<i>General Fund Benefit (In Millions)</i>	
	2011-12
Proposition 98	
K-12 Education	
Eliminate K-3 Class Size Reduction	\$1,275
Reduce K-12 general purpose funding by 2.2 percent	813
Change kindergarten start date beginning in 2011-12	700
Eliminate state support for Home-to-School Transportation	500
Require use of Economic Impact Aid (EIA) reserves	350
Reduce state categorical funding for basic aid districts and counties	200
Reduce EIA by 20 percent	190
Adopt LAO K-14 mandate package	50
Eliminate 2011-12 overbudgeting for Charter School Facility Program	25
Subtotal—K-12 Education	(\$4,103)
California Community Colleges (CCC)	
Establish a 90-unit cap on each student's taxpayer-subsidized credits	\$250
Adopt additional fee increase (taking fees to \$66 per unit)	170
Reduce funding for credit basic skills instruction to the rate provided for noncredit basic skills	125
Eliminate state subsidy for intercollegiate athletics	55
Eliminate state funding for repetition of credit physical education (PE) and fine-arts ("activity") classes	55
Eliminate state funding entirely for noncredit PE and fine-arts (activity) classes	30
Subtotal—CCC	(\$685)
Total Proposition 98	\$4,788
Non-Proposition 98	
Suspend or eliminate Quality Education Investment Act	\$450
Eliminate General Fund support for the Summer School for the Arts	1
Total Non-Proposition 98	\$451
Total, K-14 Education	\$5,239

Hon. Mark Leno

5

February 10, 2011

reducing costs statewide by roughly \$700 million. Similarly, the state could stop requiring home-to-school transportation services (though schools would not be prohibited from offering such services) as well as eliminate certain mandated education activities. For community colleges, the state could allow individuals possessing a bachelor's degree or higher (and perhaps a high-school teaching credential or other coursework) to teach credit basic-skills courses (rather than requiring a master's degree). Colleges also could be permitted to contract out basic-skills instruction to a third party, such as a community-based organization or local library.

We have included in our Proposition 98 alternative a 2.2 percent reduction in K-12 general purpose funding. While not shown in Figure 2, we would recommend that the state take various actions to help districts deal with this reduction. For example, the state could amend statute to allow school districts to shorten the school year. For every one-day reduction in instruction, we estimate costs are reduced statewide by roughly \$200 million (with a reduction of one week yielding roughly \$1 billion in savings). To further reduce school district costs, the state could remove restrictions on contracting out for noninstructional services and eliminate priority and pay rules for substitute teaching positions. We think these are better alternatives than making large unallocated reductions that are not linked to cost-reduction measures.

A Few Reductions Offset by Other Revenue Streams. In a few cases, options exist to mitigate the impact of K-14 reductions by relying on other revenue streams. For example, the state could give school districts access to existing restricted reserves and allow them to offset the reductions (to the extent possible). For example, the state could give districts access to about \$300 million in reserves associated with certain restricted programs. We also think the state could reduce the amount of categorical funding it provides to basic aid districts. Specifically, if a basic aid district has "excess" local property tax revenue to cover categorical program costs, then the state could stop providing the categorical payments in excess of the constitutionally required \$120 per student. It is unclear why the state traditionally has offered these state payments to districts that have sufficient local funds to cover associated costs. For community colleges, the state could authorize higher fee increases to offset reductions to apportionments.

Higher Education

Unlike most other areas of the budget, the Governor's proposal would eliminate a sizable percentage of the universities' General Fund support without specifying how those reductions would be accommodated. Specifically, the Governor has proposed unallocated reductions totaling \$1 billion for the two universities. Rather than build upon these unallocated reductions, we have identified a total of \$2.1 billion in allocated reductions for higher education (excluding community colleges), as summarized in Figure 3 (next page). In other words, we identify ways that the Governor's \$1 billion in savings could be achieved, plus an additional \$1.1 billion to help balance the budget under your scenario.

Reductions of this magnitude would negatively affect the availability and cost of educational opportunities for students. However, we believe that effects on higher educational access, affordability, and quality could be mitigated by targeting noninstructional areas of the higher education budget. As we outline in Figure 3, our identified savings could be achieved with no reduction to the University of California's (UC's) budgeted enrollment levels, and a 5 percent

Hon. Mark Leno

6

February 10, 2011

reduction to the California State University's (CSU's) budgeted level. (The effect on actual CSU enrollment would be somewhat less, because CSU's current-year enrollment is already below this budgeted level.) Under our scenario, tuition at the universities would increase by about \$400 to \$450 per university student (beyond already-approved fee increases). However, the state's financial aid entitlement programs would be preserved, although qualifying income thresholds would be reduced somewhat to match federal eligibility criteria.

A significant percentage of the programmatic savings we identify comes from reductions to spending on personnel (\$408 million). The effect of such reductions on core instructional activities could be minimized by focusing on noninstructional activities. For example, the Legislature could direct a modest shift in the allocation of UC faculty time from research to teaching. By increasing the average UC faculty teaching load by one additional course every three years, the university could realize savings of almost \$100 million annually. If desired, reductions in research could be targeted at certain campuses in order to retain a strong research focus at UC's flagship campuses. Given that CSU faculty do not spend a large share of their time on research, savings in CSU personnel costs could instead be achieved by reducing faculty release time for sabbaticals and other noninstructional activities.

Figure 3	
Higher Education Budget Actions^a	
<i>General Fund Benefit (In Millions)</i>	
	2011-12
UC and CSU Reductions	
Reduce personnel costs by 10 percent at UC and 5 percent at CSU	\$408
Reduce UC and CSU current-year augmentations by one-half (one-time savings)	361
Increase tuition another 7 percent for UC and 10 percent for CSU ^b	270
Score approved tuition increases: 8 percent for UC and 10 percent for CSU	263
Reduce UC and CSU operating expense and equipment funding by 5 percent	215
Reduce General Fund support for UC and CSU organized research by one-half	134
Reduce CSU enrollment: by 5 percent	124
Reduce nonfederal support for UC and CSU public service by one-half	58
Eliminate UC General Fund support for Drew University	9
Eliminate supplemental funding for UC Merced	5
Subtotal	(\$1,847)
Financial Aid Reductions	
Reduce UC and CSU institutional financial aid by 5 percent	\$74
Limit Cal Grant income eligibility (using federal formula)	60
Limit competitive awards to stipends only	30
Eliminate non-need-based fee waivers	25
Raise minimum Cal Grant grade point average	20
Subtotal	(\$209)
Total	\$2,056

^a Amounts listed include an allocation of the Governor's \$1 billion reduction for the universities, as well as \$1.1 billion of additional reductions (as listed under the "Higher Education" section of Figure 1) to balance the budget under the parameters of this Member request.

^b General Fund savings are net of increased Cal Grant costs and institutional aid set-aside.

Hon. Mark Leno

7

February 10, 2011

IMPLICATIONS FOR 2011-12 AND BEYOND

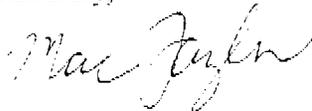
General Fund Surplus at End of 2011-12, if All Assumptions Hold. If the Legislature were to adopt these additional alternatives in combination with the non-tax proposals in the Governor's budget, the 2011-12 budget would be balanced with an approximately \$1 billion reserve—based on all of the various assumptions described above. In reality, of course, many of the Governor's proposals and the alternatives described in this letter carry significant implementation risk. Accordingly, the chances are very high that some of the assumptions incorporated in this analysis would not hold. In other words, even if the state adopted *all* of the Governor's non-tax budget proposals and *all* of this letter's alternatives, there is a chance that 2011-12 would end in deficit.

Many Permanent Solutions Help the Out-Year Problem. The majority of the budget-balancing options described in this letter could be enacted as permanent solutions, thereby helping the state to address its stubborn out-year budget problem. (In fact, as ongoing solutions, these alternatives provide solutions lasting beyond the tax extensions' five-year time period.) Nevertheless, both the Governor's proposals and this list of alternatives include some one-time budget options, such as borrowing from other state funds in the Governor's budget. To fully address the out-year budget problem, the Legislature likely would need to take additional actions beyond those addressed in this letter.

Other Non-Tax Revenue Budget Actions Available. In identifying the budget actions that would be required to balance the 2011-12 budget, we worked within the parameters specified by your staff described at the start of this letter. There are a number of other, non-tax revenue budget actions that the Legislature could consider as alternatives to some of the program reductions included—such as additional borrowing from special funds and returning to the voters to change provisions of existing voter-approved programs. We estimate that these alternatives would generate on the order of several billions of dollars. (Additional borrowing from special funds alone could create \$1.2 billion in benefit to the General Fund in 2011-12.) Such actions could be used in place of some of the more difficult actions included on our list.

For more information, please contact Jason Sisney (916-319-8361, jason.sisney@lao.ca.gov) or Caroline Godkin (916-319-8326, caroline.godkin@lao.ca.gov) of my staff. They can direct you to the LAO analysts who are able to answer questions about specific items in our alternatives list.

Sincerely,



Mac Taylor
Legislative Analyst

APPENDIX: ADDITIONAL ACTIONS TO BALANCE THE 2011-12 BUDGET

Additional Actions to Balance the 2011-12 Budget*	
<i>General Fund Benefit (In Millions)</i>	
K-14 Education	
Proposition 98	
<i>K-12 Education</i>	
Eliminate K-3 Class Size Reduction	\$1,275.0
Reduce K-12 general purpose funding by 2.2 percent	813.0
Change kindergarten start date beginning in 2011-12	700.0
Eliminate state support for Home-to-School Transportation	500.0
Require use of Economic Impact Aid (EIA) reserves before providing districts with more EIA funds	350.0
Reduce state categorical funding for basic aid districts and counties	200.0
Reduce EIA by 20 percent	190.0
Adopt Legislative Analyst's Office (LAO) K-14 mandate package	50.0
Eliminate 2011-12 overbudgeting for Charter School Facility Program	25.0
<i>California Community Colleges</i>	
Establish a 90-unit cap on each student's taxpayer-subsidized credits	250.0
Increase fees to \$66 per unit	170.0
Reduce funding for credit basic skills instruction to the rate provided for non-credit basic skills	125.0
Eliminate state subsidy for intercollegiate athletics	55.0
Eliminate state funding for repetition of credit physical education (PE) and fine-arts ("activity") classes	55.0
Eliminate state funding entirely for noncredit PE and fine-arts (activity) classes	30.0
Non-Proposition 98	
Suspend or eliminate Quality Education Investment Act	450.0
Eliminate General Fund support for Summer School for the Arts	1.4
Subtotal, K-14 Education	(\$5,239.4)
Higher Education	
Universities	
Account for Governor's unallocated university reductions (see footnote ³ of Figure 3)	-\$1,000.0
Reduce personnel costs by 10 percent at UC and 5 percent at CSU	408.3
Reduce UC and CSU current-year augmentations by one-half (one-time savings)	361.2
Increase tuition another 7 percent for UC and 10 percent for CSU	270.3
Score approved tuition increases: 8 percent for UC and 10 percent for CSU	263.0
Reduce UC and CSU operating expense and equipment funding by 5 percent	214.6
Reduce General Fund support for UC and CSU organized research by one-half	134.1
Reduce CSU enrollment by 5 percent	124.1
Reduce non-federal support for UC and CSU public service by one-half	57.7
Eliminate UC General Fund support for Drew University	8.7
Eliminate supplemental funding for UC Merced	5.0
Financial Aid	
Reduce UC and CSU institutional financial aid by 5 percent	73.6
Limit Cal Grant income eligibility	60.0
Limit competitive awards to stipends only	30.0
Eliminate non-need-based fee waivers	25.0
Raise minimum Cal Grant grade point average	20.0
Subtotal, Higher Education	(\$1,055.7)
(Continued)	

APPENDIX: ADDITIONAL ACTIONS TO BALANCE THE 2011-12 BUDGET

Health and Social Services	
Reduce state participation of In-Home Supportive Services provider wages to minimum wage	\$300.0
Eliminate California Food Assistance Program and Cash Assistance Program for Immigrants for legal noncitizens	190.0
Reduce the California Work Opportunity and Responsibility to Kids (CalWORKs) earned income disregard ⁹	180.0
Eliminate full-scope Medi-Cal benefits for newly qualified aliens and persons permanently residing under color of law	120.0
Phase in a one-third reduction in Adoption Assistance Program basic grants	20.0
Eliminate Adult Protective Services program	55.0
Eliminate Cal-Learn Program for CalWORKs teen parents ^b	50.0
Impose quality assurance fee on pharmacies and certain other providers	50.0
Eliminate CalWORKs grants for recent legal noncitizens ^b	40.0
Roll back salary increases related to the <i>Coleman</i> and <i>Perez</i> court decisions (contingent on CDCR action)	36.2
Eliminate drug court programs	26.8
Eliminate funding for perinatal and other alcohol and drug treatment programs	25.7
Roll back eligibility for the Every Woman Counts program	20.0
Eliminate balance of Transitional Housing Program Plus funds for emancipating foster youth	16.0
Rescind rate increase for Family Planning Access Care Treatment	16.0
Eliminate funding for Caregiver Resources Centers administered by the Department of Mental Health	2.9
Suspend Child Welfare Services Web Automation Project pending federal clarification	1.1
Eliminate Department of Aging and transfer some responsibilities to Department of Social Services	0.4
Subtotal, Health and Social Services	(\$1,150.1)
Criminal Justice and Judiciary	
End support for various public safety grant programs (such as Citizens' Option for Public Safety and booking fees)	\$506.0
Reject various proposed prison system augmentations	425.2
Delay court construction projects for one year and transfer funds from Immediate and Critical Needs Account to General Fund	250.0
Shift funding and responsibility for adult parole and parole violators to local governments	240.0
Achieve additional judicial branch savings (in addition to Governor's proposed \$200 million unallocated reduction)	156.0
Implement automated speed enforcement (LAO version)	150.0
Implement a two-day-per-month furlough for court employees	130.0
Use Proposition 172 funds to pay debt service for local correctional facilities, reimburse counties for public safety mandates, and make SB 678 incentive payments	127.0
Reduce parole term for existing parolees from 3 years to 18 months	125.0
Eliminate various Department of Justice (DOJ) state law enforcement programs	76.0
Revert some of the remaining balance of the AB 900 General Fund appropriation	75.0
Eliminate state support for training provided by Commission on Peace Officer Standards and Training to local law enforcement	52.0
Shift funding and responsibility for remaining juvenile offenders to counties	50.0
Require second and third "strikes" to be serious or violent for an offender to get full "Three Strikes" sentence enhancement	50.0
Reduce additional court funding to account for trial court reserves	50.0
Expand medical parole	30.0
Eliminate Restitution Fund support for mental health treatment for crime victims	28.0
Reduce funding for discretionary DOJ legal work	20.0
	(Continued)

APPENDIX: ADDITIONAL ACTIONS TO BALANCE THE 2011-12 BUDGET

Criminal Justice and Judiciary	
Redirect state and local asset forfeiture proceeds	\$12.0
Develop a non-peace officer "custody assistant" classification that could perform some correctional officer duties	10.0
Scale back funding for Office of Inspector General due to reduced inmate population resulting from shift to local governments	10.0
Implement uniform disciplinary confinement policies	10.0
Delay implementation of Civil Representation Pilot Program—AB 590 (Feuer)	8.0
Eliminate state support for Corrections Standards Authority inspections conducted for counties	7.0
Eliminate Board of Parole Hearings—juvenile parole	6.0
Eliminate state support from the Restitution Fund for witness relocation and protection program	5.0
Improve collection of inmate medical copayments	4.0
Replace custody positions in headquarters with non-peace officers	1.0
Require counties to reimburse state for legal work by DOJ on behalf of district attorneys who are disqualified from handling local cases	1.0
Subtotal, Criminal Justice and Judiciary	(\$2,614.2)
General Government	
Reduce state employee pay an additional 9.24 percent (equivalent to two furlough days) through legislation	\$700.0
Reduce state contributions to employee health care by 30 percent through legislation	330.0
Halt all bond sales and pay-as-you-go infrastructure projects	227.0
Scale back various information technology projects	75.0
Recognize lower-than-anticipated Unemployment Insurance loan repayment costs	60.0
End General Fund support for the Small Business Loan Guarantee Program (Business, Transportation, and Housing Agency)	24.0
Eliminate various victim services programs	23.0
Eliminate Department of Fair Employment and Housing and Fair Employment and Housing Commission and switch to civil and federal enforcement	17.2
Eliminate General Fund support of the California Science Center	14.6
Eliminate California Gang Reduction Intervention and Prevention program and Internet Crimes Against Children Task Force; transfer program funds from the Restitution Fund to the General Fund	10.0
Eliminate General Fund support for cadet corps and military school programs	7.0
Eliminate General Fund support for the Office of Migrant Services (Housing and Community Development)	6.0
Merge Agricultural Labor Relations Board and Public Employee Relations Board	4.9
Eliminate Business, Transportation, and Housing Agency, including General Fund support for the Small Business Loan Guarantee Program	4.2
Eliminate California National Guard Benefit Program	4.0
Eliminate Health and Human Services Agency	3.6
Eliminate the Office of Planning and Research, including CaliforniaVolunteers and the Office of the Secretary of Service and Volunteering	2.3
Eliminate California Environmental Protection Agency	1.9
End General Fund support for the Office of Administrative Law and convert to fee-for-service funding model	1.6
Shift Commission on State Mandates funding to reimbursements	1.5
Eliminate the Arts Council	1.1
Eliminate State and Consumer Services Agency	1.0
Eliminate the Commission on the Status of Women	0.5
Reduce staffing and funding for the American Recovery and Reinvestment Act task force	0.2
Reduce General Fund support for the Lieutenant's Governor's office to 2010-11 level	0.1
	(Continued)

APPENDIX: ADDITIONAL ACTIONS TO BALANCE THE 2011-12 BUDGET

General Government	
Eliminate Natural Resources Agency	—
Eliminate Labor and Workforce Development Agency	—
Subtotal, General Government	(\$1,520.7)
Local Government	
Count all redevelopment revenues to K-14 agencies as local property taxes	\$275.5
Subtotal, Local Government	(\$275.5)
Transportation	
Eliminate sales tax on diesel, increase vehicle weight fees commensurately, and redirect transportation funding, including monies for local transit and intercity rail, to provide General Fund relief	\$400.0
Scale back Department of Motor Vehicles capital outlay and other programs to reduce General Fund repayment of past loan from the Motor Vehicle Account	12.0
Subtotal, Transportation	(\$412.0)
Resources and Environmental Protection	
Reduce programs supported by Gas Consumption Surcharge Fund and transfer funds to General Fund	\$500.0
Reduce General Fund costs for wildland firefighting by (1) enacting a fee on residential property owners in state responsibility areas (SRAs), (2) clarifying that the state is not fiscally responsible for life and structure protection in SRAs, or (3) modifying SRA boundaries	300.0
Allow drilling at Tranquillon Ridge	100.0
Reduce programs supported by Off-Highway Vehicle Trust Fund and transfer funds and balance to the General Fund	88.0
Transfer balance of Renewable Resources Trust Fund to General Fund	60.0
Reduce programs supported by Public Interest Research, Development, and Demonstration Fund and transfer funds and balance to General Fund	52.0
Eliminate General Fund support for the California Conservation Corps	35.1
Reduce programs supported by Natural Gas Subaccount, Public Interest Research, Development, and Demonstration Fund and transfer balance to General Fund	24.0
Reduce General Fund support (partially backfilled with fees) for Department of Fish and Game's Biodiversity Conservation Program	23.0
Shift funding for timber harvest plan review in multiple state agencies from General Fund to new regulatory fees	18.0
Reduce programs supported by Harbors and Watercraft Revolving Fund and transfer balance to General Fund	18.0
Reduce programs supported by Alternative and Renewable Fuel and Vehicle Technology Fund and transfer funds to the General Fund	10.0
Increase California Coastal Commission permitting fees to fully fund coastal development regulatory activities	5.0
Suspend Air Resources Board's diesel regulations for public fleets, creating General Fund savings in Department of Parks and Recreation	2.0
Provide the California Coastal Commission with the authority to levy administrative civil penalties	1.0
Eliminate Department of Conservation and shift functions to other state departments	1.0
Eliminate Native American Heritage Commission	0.7
Subtotal, Resources and Environmental Protection	(\$1,237.8)
Total, All Actions	\$13,505.2
^a Based on methodology described in main text of this letter.	
^b Contingent on identifying additional programs for which Temporary Assistance for Needy Families, or TANF, federal funds can be expended in place of General Fund monies or which may be counted as maintenance-of-effort.	

**OFFICE OF THE COUNTY ADMINISTRATOR
CONTRA COSTA COUNTY**

TO: Legislation Committee
Supervisor Karen Mitchoff, Chair
Supervisor John Gioia, Vice Chair

FROM: Lara DeLaney, Legislative Coordinator

DATE: March 16, 2011

SUBJECT: **Agenda Item #6: State Legislative Issues**

RECOMMENDATION

RECOMMEND positions on various bills to the Board of Supervisors, as appropriate.

REVIEW the attached listing of bills of interest to the County.

BACKGROUND

Staff of the County Administrator's Office works in collaboration with our state and federal advocates to identify proposed legislation that would impact County operations, services, and programs. When a bill comes to our attention either through our legislation tracking services, various associations, advisory body members, department staff, or a Board member, staff first looks to the County's adopted State and Federal platforms for consistency with policy direction. If there is no clear policy direction in the adopted Platforms, the proposed legislation is presented to the Legislation Committee or appropriate committee of the Board prior for consideration and recommendation to the full Board of Supervisors.

The following specific bills are presented for action or information purposed to the Legislation Committee.

- a. **AB 147 (Dickinson): Subdivisions —*Information Only.* (See *Attachment A.*)**

Summary: Amends the Subdivision Map Act which authorizes a local agency to require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or

estimated cost of constructing bridges or major thoroughfares. Authorizes the fee to additionally be used for defraying the actual or estimated cost of other transportation facilities.

b. AB 720 (Hall): Road Commissioner Authority—*OPPOSE*. (See *Attachment B.*)

Summary: Repeals a provision in existing law that specifies that a board of supervisors or a county road commissioner is not prohibited from using alternative procedures governing county highway contracts. Amends existing law which authorizes public projects with a specified monetary threshold to be performed by the employees of the public agency by force account, negotiated contract, or purchase order. Increases that authorization.

The County Public Works Director recommends a position of Oppose.

c. SB 394 (DeSaulnier): Healthy Schools Act of 2011 — *SUPPORT*

Summary: Enacts the Healthy Schools Act of 2011. Provides that only self-contained baits, gels, and pastes deployed as crack and crevice treatments and spot treatments may be used on schoolsites. Prohibits use of a pesticide on a schoolsite if that pesticide contains an ingredient known to the state to cause cancer or reproductive toxicity or any one of specified cholinesterase-inhibiting pesticides. Requires schoolsites to send at least one person to training sessions at least once every 2 years.

Supervisor Gioia recommends that the Legislation Committee support this bill and recommend it to the Board of Supervisors. (See *Attachment C.*)

d. SB 429 (DeSaulnier): Education: Community Learning Centers: Funding — *SUPPORT*

Summary: Makes technical, nonsubstantive changes to existing law which provides that specified funds are available for carrying out programs related to the 21st Century Community Learning Centers programs.

Supervisor Gioia recommends that the Legislation Committee support this bill and recommend it to the Board of Supervisors. (See *Attachment D.*)

e. AB 861 (Nestande): California Stroke Registry — *SUPPORT*

Summary: Establishes the California Stroke Registry, to be administered by the State Department of Health to serve as a centralized repository for stroke data to promote quality improvement for acute stroke treatment. Requires that the program be implemented only to the extent funds from federal or private sources are made available for this purpose.

In January 2012 Contra Costa EMS will be starting a Stroke System for the County. EMS has been working closely with all our hospitals, the California Stroke Registry and the American Heart Association as part of this process.

The California Stroke Registry is a data registry that helps EMS Systems and Hospitals work collaboratively to improve stroke outcomes for communities. This bill is supported by Dr. Walker and Dr. Brunner. Stroke is a top cause of death in Contra Costa County. Contra Costa Health Services and Contra Costa EMS would like to recommend support for this bill, as it will provide access to a statewide registry at no cost, and will be a valuable tool in our future Stroke System. The bill does not carry any cost for our county or state and would clear the way for federal and private funding.

In addition, the following is a link for additional information about our upcoming Contra Costa Stroke System: <http://www.cchealth.org/groups/ems/stroke.php>. EMS will be coming to the BOS to provide a formal informational report about the program in the Fall of 2011. (See Attachment E.)

e. AB 340 (Furutani): County Employees' Retirement: Post-retirement Service — WATCH

Summary : Amends the County Employees Retirement Law of 1937 (CERL). Prohibits specified payments from being considered as compensation earned for retirement purposes to include compensation to was paid to enhancement retirement benefits. Relates to the reporting of compensation to the local retirement board. Authorizes audits. Requires the county to pay related costs when an employer does not enroll an employee in a retirement plan within a specified time period. Relates to reinstatement upon reemployment.

AB 340, by Assembly Member Warren Furutani, would prohibit a 1937 Act county retiree from returning to work for any 1937 Act county or district until 180 days have passed since their date of retirement. Once reemployed, the retiree cannot receive service credit. If these terms are violated, the retired member must reimburse the retirement system for any retirement allowance he or she received during that period and the district or county must reimburse the retirement system for any administrative expenses.

CSAC opposes AB 340, as they believe counties have legitimate needs to utilize retired annuitants and many of them already have restrictions in place for hiring retirees. Placing a six-month wait on retirees before they are able to return to public service interferes with a county's right to choose the best candidate for a job and manage county resources.

Staff recommends that the Legislation Committee watch this bill. The text is attached as *Attachment F*.

g. SB 662 (DeSaulnier): Integrated Health and Human Services Program —*CONSIDER*

From time to time, Senator DeSaulnier has discussed with Supervisor Gioia the development of an integrated health and human services program for Contra Costa County. On February 18, 2011, Senator DeSaulnier introduced a bill, SB 662, to implement such a program, modeled after a bill that was developed last year for Placer County, AB 2039 (Logue). (*See Attachment G.*)

On March 1, 2011 the Board of Supervisors referred this bill to the Legislation Committee.

Existing law authorizes Humboldt County, Mendocino County, Alameda County, and any additional county or counties, as determined by the Secretary of California Health and Human Services, to implement, prior to January 1, 2009, a similar pilot program as Placer County, with requirements for evaluation but with no sunset date.

AB 2039 would have made permanent Placer County's authority for operating its pilot program to integrate the funding and delivery of services and benefits for the county health and human services system. The author of the bill stated that in 1996, a pilot program in Placer County was authorized (SB 1846 (Leslie), Chapter 899, Statutes of 1996) to address the uncoordinated, separately funded, and narrowly-targeted categorical programs of the child welfare, probation, and mental health systems, which did not address the broader needs of children and families.

According to the author, the statute allowed Placer County to create a county child and family services fund that implemented the California Blue Ribbon Commission's goal of building an integrated service model for children in multiple service sectors, and also provided the mechanism to request waivers of regulations and policies to support these integration efforts. The author noted that Placer County has utilized the statutory authority to do the following:

- Implement a single, integrated service-planning approach which utilizes child welfare, mental health, probation and others to have one universal case with a team approach, rather than one case and one plan in each system.
- Authorize the county office of education to operate a school program in the county's emergency shelter to facilitate a team-based approach to child welfare and education.

- Develop and implement a strengths-based outcome tool based on the family's assessment of its strengths, rather than on the historically determined "sickness" of the child or parent.
- Consolidate claiming for multiple public health programs into one universal approach.

The author noted that many families that enter the foster care system have multiple issues that affect the environment for the child, including risk of abuse and neglect, mental health and substance abuse issues, probation, courts, etc. The author believed the pilot program had achieved excellent outcomes, including improved service delivery to children and families, reduced demand for services, and a seamless integrated program model, in addition to other efficiencies.

According to Placer County Board of Supervisors, the County has successfully implemented a family-centered and needs-based model of services to children and families, including blending the child welfare, mental health, probation, and education services into a single team approach. The County states the Placer model of integrating child welfare, mental health, probation, and education case management has resulted in significant efficiencies and improved outcomes reducing the recurrence of abuse and neglect. Placer County notes that, since 2005, the integrated approach has resulted in a 20 percent reduction in the number of children needing to enter foster care and contributed to more than 100 children finding stable, loving homes with adoptive parents. The County also notes that it has implemented consolidated claiming of 14 public health programs into one claim, reducing administrative complexity and prioritizing service delivery to residents.

Contra Costa County Health Services and Employment and Human Services Directors met with Senator DeSaulnier and Supervisor Gioia on March 4 to discuss the bill. The directors indicated that they can support the concept but would ask for maximum flexibility in which programs we would focus on first and what the design for "integration" would be. They also indicated that Health Care reform will significantly change the landscape, and EHSD and Health Services have already instituted working groups looking at how they can coordinate Medi-Cal eligibility processes with health care coverage plans.

Senator DeSaulnier apparently was in agreement that he did not want to impose any operational constraints that the County was not comfortable with. The directors had also understood that this bill was intended as a general policy vehicle rather than a specific program mandate.

The County has also been in touch with Placer County which has been running a service integration model for a number of years. With emerging technologies, we can begin to achieve closer service integration with data integration and web-

based enrollment systems, reducing the need to co-locate services physically together.

The EHSD Director urges that if this bill moves forward, any additional detail that might be added should preserve maximum flexibility for Contra Costa County.

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Attached to this report is information about various bills in which the County may have an interest or on which the County has already taken a position. (*Attachment H.*)



**CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
651 Pine Street, N. Wing - 4th Floor
Martinez, CA 94553
Telephone: 335-1290 Fax: 335-1300**

TO: Legislation Committee
(Supervisor Karen Mitchoff, Chair; Supervisor John Gioia, Vice Chair)

FROM: John Greitzer, Senior Transportation Planner *JG*

DATE: March 2, 2011

SUBJECT: State transportation legislation: AB 147

RECOMMENDATION

RECEIVE informational report on AB 147, a County-initiated bill to provide greater flexibility in the uses of traffic impact mitigation fee revenue.

ATTACHMENTS

- Text of AB 147 (Dickinson, D-Sacramento), a County-initiated bill
- Letter of support for AB 147 scheduled for Board action on March 22, 2011

DISCUSSION

The Transportation, Water and Infrastructure Committee on February 28 reviewed AB 147 and recommended the Board adopt a position of support along with a potential amendment.

The bill was initiated by Contra Costa County as part of its 2011 State Legislative Platform. At our request, CSAC made the bill part of its own platform. CSAC then worked with Assemblymember Roger Dickinson of Sacramento to introduce the bill. AB 147 is now with the Assembly Local Government Committee.

The bill would broaden the types of transportation improvements that can be funded with revenue from traffic impact mitigation fees (one-time fees charged on new development). Current law restricts the fee revenues to be used only on "bridges and major thoroughfares." AB 147 will allow the revenues to be used for any type of transportation improvement that is needed to mitigate the impacts, including transit facilities such as bus stops, shelters, or bus turnouts; pedestrian ways; and bikeways. Bridges and major thoroughfares also would remain as eligible uses.

The bill would make these changes by amending a portion of the Subdivision Map Act, which is the statute that authorizes cities and counties to have impact mitigation fee programs.

Based on the TWI Committee's recommendation, the item is going to the Board of Supervisors on March 22 for a position of "support" and consideration of a potential amendment to add language stating the governing body can prioritize the various projects to be funded by the fee program.

Attached for the Committee's information is the full text of AB 147 and a letter to be included in the March 22 Board item for signature by the Chair of the Board.

ASSEMBLY BILL

No. 147

Introduced by Assembly Member Dickinson

January 14, 2011

An act to amend Section 66484 of the Government Code, relating to subdivisions.

LEGISLATIVE COUNSEL'S DIGEST

AB 147, as introduced, Dickinson. Subdivisions.

The Subdivision Map Act authorizes a local agency to require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing bridges or major thoroughfares if specified conditions are met.

This bill would authorize the fee to additionally be used for defraying the actual or estimated cost of other transportation facilities, as described.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 66484 of the Government Code is
2 amended to read:
3 66484. (a) A local ordinance may require the payment of a
4 fee as a condition of approval of a final map or as a condition of
5 issuing a building permit for purposes of defraying the actual or
6 estimated cost of constructing bridges over waterways, railways,
7 freeways, and canyons, ~~or~~ constructing major thoroughfares, *or*

1 *constructing other transportation facilities, including, but not*
2 *limited to, pedestrian, bicycle, transit, and traffic-calming facilities.*

3 The ordinance may require payment of fees pursuant to this section
4 if all of the following requirements are satisfied:

5 (1) The ordinance refers to the circulation element of the general
6 plan and, ~~in the case of bridges, to the transportation or flood~~
7 ~~control provisions thereof that identify railways, freeways, streams,~~
8 ~~or canyons for which bridge crossings are required on the general~~
9 ~~plan or local roads and in the case of major thoroughfares, to the~~
10 ~~provisions of the circulation element that identify those major~~
11 ~~thoroughfares whose primary purpose is to carry through traffic~~
12 ~~and provide a network connecting to the state highway system; if~~
13 the circulation element, transportation, or flood control provisions
14 have been adopted by the local agency 30 days prior to the filing
15 of a map or application for a building permit.:

16 (A) *In the case of bridges, to the transportation or flood control*
17 *provisions thereof that identify railroads, freeways, streams, or*
18 *canyons for which bridge crossings are required on the general*
19 *plan or local roads.*

20 (B) *In the case of major thoroughfares, to the provisions of the*
21 *circulation element that identify those major thoroughfares whose*
22 *primary purpose is to carry through traffic and provide a network*
23 *connecting to the state highway system.*

24 (C) *In the case of other transportation facilities, to the*
25 *provisions of the circulation element that identify those*
26 *transportation facilities that are required to minimize the use of*
27 *automobiles and minimize the traffic impacts of new development*
28 *on existing roads.*

29 (2) The ordinance provides that there will be a public hearing
30 held by the governing body for each area benefited. Notice shall
31 be given pursuant to Section 65091 and shall include preliminary
32 information related to the boundaries of the area of benefit,
33 estimated cost, and the method of fee apportionment. The area of
34 benefit may include land or improvements in addition to the land
35 or improvements that are the subject of any map or building permit
36 application considered at the proceedings.

37 (3) The ordinance provides that at the public hearing the
38 boundaries of the area of benefit, the costs, whether actual or
39 estimated, and a fair method of allocation of costs to the area of
40 benefit and fee apportionment are established. The method of fee

1 apportionment, in the case of major thoroughfares, shall not provide
2 for higher fees on land that abuts the proposed improvement except
3 where the abutting property is provided direct usable access to the
4 major thoroughfare. A description of the boundaries of the area of
5 benefit, the costs, whether actual or estimated, and the method of
6 fee apportionment established at the hearing shall be incorporated
7 in a resolution of the governing body, a certified copy of which
8 shall be recorded by the governing body conducting the hearing
9 with the recorder of the county in which the area of benefit is
10 located. The apportioned fees shall be applicable to all property
11 within the area of benefit and shall be payable as a condition of
12 approval of a final map or as a condition of issuing a building
13 permit for the property or portions of the property. Where the area
14 of benefit includes lands not subject to the payment of fees pursuant
15 to this section, the governing agency shall make provision for
16 payment of the share of improvement costs apportioned to those
17 lands from other sources.

18 (4) The ordinance provides that payment of fees shall not be
19 required unless the major thoroughfares are in addition to, or a
20 reconstruction of, any existing major thoroughfares serving the
21 area at the time of the adoption of the boundaries of the area of
22 benefit.

23 (5) The ordinance provides that payment of fees shall not be
24 required unless the planned bridge facility is an original bridge
25 serving the area or an addition to any existing bridge facility
26 serving the area at the time of the adoption of the boundaries of
27 the area of benefit. The fees shall not be expended to reimburse
28 the cost of existing bridge facility construction.

29 (6) The ordinance provides that if, within the time when protests
30 may be filed under the provisions of the ordinance, there is a
31 written protest, filed with the clerk of the legislative body, by the
32 owners of more than one-half of the area of the property to be
33 benefited by the improvement, and sufficient protests are not
34 withdrawn so as to reduce the area represented to less than one-half
35 of that to be benefited, then the proposed proceedings shall be
36 abandoned, and the legislative body shall not, for one year from
37 the filing of that written protest, commence or carry on any
38 proceedings for the same improvement or acquisition under the
39 provisions of this section.

1 (b) Any protest may be withdrawn by the owner protesting, in
2 writing, at any time prior to the conclusion of a public hearing held
3 pursuant to the ordinance.

4 (c) If any majority protest is directed against only a portion of
5 the improvement, then all further proceedings under the provisions
6 of this section to construct that portion of the improvement so
7 protested against shall be barred for a period of one year, but the
8 legislative body may commence new proceedings not including
9 any part of the improvement or acquisition so protested against.
10 Nothing in this section prohibits a legislative body, within that
11 one-year period, from commencing and carrying on new
12 proceedings for the construction of a portion of the improvement
13 so protested against if it finds, by the affirmative vote of four-fifths
14 of its members, that the owners of more than one-half of the area
15 of the property to be benefited are in favor of going forward with
16 that portion of the improvement or acquisition.

17 (d) Nothing in this section precludes the processing and
18 recordation of maps in accordance with other provisions of this
19 division if the proceedings are abandoned.

20 (e) Fees paid pursuant to an ordinance adopted pursuant to this
21 section shall be deposited in a planned bridge facility ~~or~~, major
22 thoroughfare, *or transportation facility* fund. A fund shall be
23 established for each planned bridge facility project ~~or~~, each planned
24 major thoroughfare project, *or each planned transportation facility*
25 *project*. If the benefit area is one in which more than one bridge
26 ~~or~~, major thoroughfare, *or other transportation facility* is required
27 to be constructed, a fund may be so established covering all of the
28 bridge ~~and~~, major thoroughfare, *and other transportation facility*
29 projects in the benefit area. Money in the fund shall be expended
30 solely for the construction or reimbursement for construction of
31 the improvement or improvements serving the area to be benefited
32 and from which the fees comprising the fund were collected, or to
33 reimburse the local agency for the cost of constructing the
34 improvement or improvements.

35 (f) An ordinance adopted pursuant to this section may provide
36 for the acceptance of considerations in lieu of the payment of fees.

37 (g) A local agency imposing fees pursuant to this section may
38 advance money from its general fund or road fund to pay the cost
39 of constructing the improvements and may reimburse the general
40 fund or road fund for any advances from planned bridge facility

1 ~~or~~, major thoroughfares, *or other transportation facility* funds
2 established to finance the construction of those improvements.

3 (h) A local agency imposing fees pursuant to this section may
4 incur an interest-bearing indebtedness for the construction of bridge
5 facilities~~or~~, major thoroughfares, *or other transportation facilities*.
6 However, the sole security for repayment of that indebtedness shall
7 be moneys in planned bridge facility~~or~~, major thoroughfares, *or*
8 *transportation facility* funds.

9 (i) (1) The term "construction," as used in this section, includes
10 design, acquisition of rights-of-way, administration of construction
11 contracts, and actual construction.

12 (2) The term "construction," as used in this section, with respect
13 to the unincorporated areas of San Diego County and Los Angeles
14 County only, includes design, acquisition of rights-of-way, and
15 actual construction, including, but not limited to, all direct and
16 indirect environmental, engineering, accounting, legal,
17 administration of construction contracts, and other services
18 necessary therefor. The term "construction," with respect to the
19 unincorporated areas of San Diego County and Los Angeles County
20 only, also includes reasonable administrative expenses, not
21 exceeding three hundred thousand dollars (\$300,000) in any
22 calendar year after January 1, 1986, as adjusted annually for any
23 increase or decrease in the Consumer Price Index of the Bureau
24 of Labor Statistics of the United States Department of Labor for
25 all Urban Consumers, San Diego, California (1967 = 100), and
26 Los Angeles-Long Beach-Anaheim, California (1967 = 100),
27 respectively, as published by the United States Department of
28 Commerce for the purpose of constructing bridges~~and~~, major
29 thoroughfares, *and other transportation facilities*. "Administrative
30 expenses" means those office, personnel, and other customary and
31 normal expenses associated with the direct management and
32 administration of the agency, but not including costs of
33 construction.

34 (3) The term "construction," as used in this section, with respect
35 to Los Angeles County only, shall have the same meaning as in
36 paragraph (2) in either of the following circumstances:

37 (A) The area of benefit includes, and all of the bridge~~and~~, major
38 thoroughfare, *and other transportation facility* project
39 improvements lie within, both a city or a portion of a city and
40 adjacent portions of unincorporated area.

- 1 (B) All of the area of benefit and all of the bridge ~~and~~, major
- 2 thoroughfare, *and other transportation facility* project
- 3 improvements lie completely within the boundaries of a city.
- 4 (j) Nothing in this section precludes a county or city from
- 5 providing funds for the construction of bridge facilities ~~or~~, major
- 6 thoroughfares, *or other transportation facilities* to defray costs not
- 7 allocated to the area of benefit.

The Board of Supervisors

County Administration Building
651 Pine Street, Room 106
Martinez, California 94553

John Gioia, 1st District
Gayle B. Uilkema, 2nd District
Mary N. Piepho, 3rd District
Karen Mitchoff, 4th District
Federal D. Glover, 5th District

Contra Costa County



David Twa
Clerk of the Board
and
County Administrator
(925) 335-1900

The Honorable Roger Dickinson
Member, California State Assembly
State Capitol, Room 3126
Sacramento CA, 95814

Re:AB 147: Subdivision Map Act - SUPPORT

Dear Assembly Member Dickinson,

On behalf of the Board of Supervisors of Contra Costa County I am pleased to inform you that the Board has adopted a position of "Support" for your measure, AB 147, relating to Subdivision Map Act impact mitigation fee programs.

AB 147 addresses an issue long supported by Contra Costa County to provide a broader array of local transportation investments, including pedestrian, transit, traffic-calming and bicycle facilities, for financing through impact mitigation fees. In 2008, then-Assembly Member DeSaulnier carried legislation on our behalf, AB 2971, to achieve this goal. Unfortunately, the bill was amended and its final version did not include the desired amendments to the Subdivision Map Act.

At present, the circulation element in the County general plan provides for a balanced transportation system that helps to reduce cumulative traffic impacts, harmful air emissions and single-occupant commuting, and encourages use of transit. For some time the County has wanted to update its transportation fee programs such that impact fees for off-site facilities could be used for any type of transportation improvements that are needed to accommodate development. However, existing law limits the use of impact fee revenues to bridges and major thoroughfares.

While improvements to bridges and major thoroughfares are necessary to accommodate growth in some cases, there are others – particularly infill development in areas that are already built up – where road or bridge improvements are not possible and other types of mitigations are necessary. These may include bus stops and shelters, bus turnouts, or bicycle or pedestrian facilities.

Your bill will greatly assist Contra Costa County in providing the necessary improvements to accommodate growth and help us achieve a balanced transportation system. For this reason, we support your bill.

Sincerely,

Gayle B. Uilkema
Chair

Contra Costa County Board of Supervisors

C: The Hon. Susan Bonilla, 11th Assembly District
The Hon. Joan Buchanan, 15th Assembly District
The Hon. Nancy Skinner, 14th Assembly District
Members, Board of Supervisors
L. DeLaney, County Administrator's Office
J. Bueren, Director, Public Works
S. Kowalewski, Deputy Director, Public Works
S. Goetz, Deputy Director, Conservation & Development
M. Watts, Smith Watts Martinez



CONTRA COSTA COUNTY
DEPARTMENT OF CONSERVATION & DEVELOPMENT
651 Pine Street, N. Wing - 4th Floor
Martinez, CA 94553
Telephone: 335-1290 Fax: 335-1300

TO: **Legislation Committee**
 (Supervisor Karen Mitchoff, Chair; Supervisor John Gioia, Vice Chair)

FROM: John Greitzer, Senior Transportation Planner *JG*

DATE: March 2, 2011

SUBJECT: **State transportation legislation: AB 720**

RECOMMENDATION

RECOMMEND the Board of Supervisors adopt an "Oppose" position on AB 720 and authorize the Chair of the Board to sign the attached letter of opposition.

ATTACHMENTS

- Text of AB 720 (Hall, D-Compton)
- Draft letter of opposition for signature by the Chair of the Board of Supervisors
- Letter opposing AB 720 from California State Association of Counties, Regional Council of Rural Counties, and Urban Counties Caucus

DISCUSSION

AB 720 would make changes to state law regarding the methods counties can use to perform road work. It is essentially the same as a 2009 bill, AB 1409 (Perez, D-Los Angeles), which was strongly opposed by CSAC and numerous individual counties including Contra Costa County. AB 1409 did not pass the Legislature.

Like the earlier bill, AB 720 would limit some counties' flexibility in how they perform minor road projects, particularly the issue of using their own road crews or going out to bid. The bill would potentially drive up costs and lengthen the time it takes to perform small road projects and emergency road projects for some counties.

The bill would not directly impact Contra Costa County, but would impact other counties. We are concerned any time a bill would limit any county's flexibility to perform road work in the way they deem most appropriate. In a desire to support CSAC and the Regional Council of Rural Counties, staff is asking the Legislation Committee to recommend a position of "oppose" to the Board of Supervisors.

The three attachments to this staff report are the full text of AB 720; a draft letter for signature by the Chair of the Board of Supervisors expressing opposition to the bill; and a letter from CSAC expressing its opposition to the bill.

Pending Committee recommendation, these items would be brought to the Board of Supervisors for action on April 5.

ASSEMBLY BILL

No. 720

Introduced by Assembly Member Hall

February 17, 2011

An act to amend Section 22032 of, and to repeal Section 22031 of, the Public Contract Code, relating to public contracts.

LEGISLATIVE COUNSEL'S DIGEST

AB 720, as introduced, Hall. Public contracts: uniform construction cost accounting provisions: alternative procedures.

Existing law establishes procedures for local public agencies to follow when engaged in public works projects, and authorizes agencies to elect to become subject to uniform construction cost accounting provisions. Existing law specifies that a board of supervisors or a county road commissioner is not prohibited by those provisions from utilizing, as an alternative, other procedures governing county highway contracts.

This bill would repeal the above provision that specifies that a board of supervisors or a county road commissioner is not prohibited from using alternative procedures governing county highway contracts.

Existing law authorizes public projects of \$30,000 or less to be performed by the employees of the public agency by force account, negotiated contract, or purchase order.

This bill would increase that authorization to \$45,000.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 22031 of the Public Contract Code is
- 2 repealed.
- 3 ~~22031. Nothing in this article shall prohibit a board of~~
- 4 ~~supervisors or a county road commissioner from utilizing, as an~~
- 5 ~~alternative to the procedures set forth in this article, the procedures~~
- 6 ~~set forth in Article 25 (commencing with Section 20390) of Chapter~~
- 7 ~~4.~~
- 8 SEC. 2. Section 22032 of the Public Contract Code is amended
- 9 to read:
- 10 22032. (a) Public projects of ~~thirty forty-five~~ thousand dollars
- 11 ~~(\$30,000) (\$45,000)~~ or less may be performed by the employees
- 12 of a public agency by force account, by negotiated contract, or by
- 13 purchase order.
- 14 (b) Public projects of one hundred twenty-five thousand dollars
- 15 (\$125,000) or less may be let to contract by informal procedures
- 16 as set forth in this article.
- 17 (c) Public projects of more than one hundred twenty-five
- 18 thousand dollars (\$125,000) shall, except as otherwise provided
- 19 in this article, be let to contract by formal bidding procedure.

The Board of Supervisors

County Administration Building
651 Pine Street, Room 106
Martinez, California 94553

John Gioia, 1st District
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Federal D. Glover, 5th District

Contra Costa County



David Twa
Clerk of the Board
and
County Administrator
(925) 335-1900

April 5, 2011

The Honorable Isadore Hall
Member, California State Assembly
State Capitol, Room 3123
Sacramento, CA 95814

**Re: AB 720 (Hall): Public Contracts: Uniform Construction Cost Accounting Act
As Introduced on February 17, 2011 - OPPOSE**

Dear Assembly Member Hall:

The Contra Costa County Board of Supervisors today adopted a position of “oppose” to your bill, AB 720, regarding performance of public contracts under the Uniform Construction Cost Accounting Act.

The bill would amend Public Contract Code (PCC), Section 22031 to prohibit a county under the Uniform Construction Cost Account Act (Act) from being able to use Road Commissioner authority granted under Public Contract Code, Section 20395. It would also increase from \$30,000 to \$45,000 the total cost of a project that is allowed to be performed by public agency employees. This measure is very similar to AB 1409 (Perez), introduced in 2009, to which the County also was opposed.

AB 720, as we understand it, would not directly impact Contra Costa County as it would some other counties. However, we are concerned any time a bill would limit any county’s flexibility to perform road work in the way they deem most appropriate.

We share this concern with the California State Association of Counties (CSAC), the Regional Council of Rural Counties (RCRC), the Urban Counties Caucus (UCC), and numerous individual counties.

The Uniform Construction Cost Accounting Act, created in 1983, allows among other things, local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow specific cost accounting procedures. In exchange for following these specific accounting procedures that provide greater accountability and transparency, local agencies have additional contracting flexibility, higher cost thresholds, and may use alternative bidding procedures when performing public project work by contract.

We understand that AB 720 would force a county to give up the benefits of the Uniform Construction Cost Accounting Act, used by many county departments, in order to retain critical Road Commissioner decision-making authority for road projects.

Like CSAC, RCRC and the UCC, we believe the current laws governing performance of road projects are working well, and we see no reason to change them. Most counties already put large construction projects out to bid and use Road Commissioner authority only for basic maintenance activities and responding to emergencies and natural disasters.

The proposed changes in AB 720 would require a county to choose between two proven effective programs at the expense of more efficient and effective public works projects.

For the counties directly affected by the bill, it likely would lead to additional costs to the taxpayers and longer timelines for performing road work.

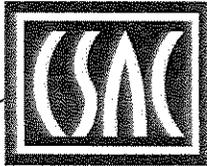
We therefore join our statewide organization in opposing AB 720. If you have questions about our position on this bill, please contact Julie Bueren, Director of Public Works, at (925) 313-2201 or jbuer@pw.cccounty.us

Sincerely,

Gayle B. Uilkema
Chair
Contra Costa County Board of Supervisors

C: The Hon. Susan Bonilla, 11th Assembly District
The Hon. Joan Buchanan, 15th Assembly District
The Hon. Nancy Skinner, 14th Assembly District
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J. Bueren, Director, Public Works
S. Kowalewski, Deputy Director, Public Works
S. Goetz, Deputy Director, Conservation & Development
M. Watts, Smith Watts Martinez

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URBAN
COUNTIES
CAUCUS



The Honorable Isadore Hall
Member, California State Assembly
State Capitol, Room 3123
Sacramento, CA 95814

**Re: AB 720 (Hall): Public Contracts: Uniform Construction Cost Accounting Act
As Introduced on February 17, 2011 - OPPOSE**

Dear Assembly Member Hall:

The California State Association of Counties (CSAC), the Regional Council of Rural Counties (RCRC), and the Urban Counties Caucus (UCC) are in strong opposition to your AB 720, which would amend Public Contract Code (PCC), Section 22031 to prohibit a county under the Uniform Construction Cost Account Act (Act) from being able to use Road Commissioner authority granted under Public Contract Code, Section 20395. It would also increase from \$30,000 to \$45,000 the total cost of a project that is allowed to be performed by public agency employees. This measure is very similar to AB 1409 (Perez) introduced in 2009 to which CSAC was vehemently opposed to for the following reasons.

The Act, created in 1983, allows among other things, local agencies to perform public project work up to \$30,000 with its own work force if the agency elects to follow specific cost accounting procedures. In exchange for following these specific accounting procedures that provide greater accountability and transparency, local agencies have additional contracting flexibility, higher thresholds, and provides an alternative bidding procedure when an agency performs public project work by contract.

Recognizing that decades old county Road Commissioner authority (since 1935) provides county transportation departments the necessary flexibility to address local issues such as natural disasters or emergencies as well as routine maintenance, the Act allows counties to retain critical flexibility and authority as granted under Public Contract Code, Section 20395 (c) while a part of the Act.

The Act provides many benefits to counties, mainly the informal bid process, which is used by various departments in addition to county public works departments to keep projects costs to a minimum. However, Road Commissioner authority as provided for in PCC, Section 20935 is still necessary to ensure our ability to perform work on county highways in a timely, efficient, and cost-effective manner. CSAC, RCRC, and UCC understand that AB 720, would therefore mean a county would have to give up the benefits of the Act, used by many other county departments, in order to retain critical Road Commissioner authority for transportation-related purposes.

AB 720, would tie the hands of county transportation departments that are a part of the Act. Essentially, the proposed amendments would require the 32 counties currently under the Act to choose between their overall county authority under the Act or Road Commissioner authority.

As proposed in the measure, county transportation departments would be restricted to the \$45,000 force account limit under the Act or be faced with convincing all other departments to give up their flexibility under the Act in order to exercise Road Commissioner authority under PCC 20395 (c).

CSAC, RCRC, and the UCC continue to assert that the current authority provided for in existing law is working well and there is no proven reason necessitating such legislative proposals. Most counties already put large construction projects out to bid and use Road Commissioner authority for basic maintenance activities and responding to emergencies and natural disasters. The proposed change in AB 720 would require a county to choose between two proven effective programs at the expense of more efficient and effective public works projects.

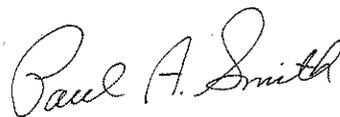
Furthermore, it is a well known and widely agreed upon fact that transportation needs far exceed revenues available. A recent statewide needs assessment of the local system (a joint venture of CSAC, the League of California Cities, and the County Engineers Association of California) revealed that there is a \$79.9 billion shortfall over the next ten-years for the local system alone. Counties do not have the resources to do what is currently needed even with using in-house staff, much less giving up important tools to keep project costs down. Given the State budget situation and sagging economy, we should be encouraging more efficient and effective uses for valuable transportation funds, not adding costly requirements that will result in fewer transportation projects at higher costs, increased backlogs and deferred maintenance, and ultimately a less safe transportation network for the constituents we all serve.

In conclusion, we continue to believe that adoption of this bill would result in additional costs to the taxpayers and is in essence anti-economic stimulus. Accordingly, CSAC, RCRC, and the UCC are opposed to AB 720. Please do not hesitate to contact us should you have any questions regarding our position. DeAnn Baker can be reached at (916) 327-7500 ext. 509 or dbaker@counties.org, Paul Smith at (916) 447-4806 or psmith@rcrcnet.org, or Jolena Voorhis at (916) 327-7531 or ucc@urbancounties.com.

Sincerely,



DeAnn Baker
Senior Legislative Representative
California State Association of Counties



Paul Smith
Senior Legislative Advocate
Regional Council of Rural Counties



Jolena Voorhis
Executive Director
Urban Counties Caucus

SENATE BILL**No. 394**

Introduced by Senator DeSaulnierFebruary 16, 2011

An act to add Sections 17610.2, 17610.3, and 17610.4 to the Education Code, and to amend Section 13185 of the Food and Agricultural Code, relating to the Healthy Schools Act of 2011.

LEGISLATIVE COUNSEL'S DIGEST

SB 394, as introduced, DeSaulnier. Healthy Schools Act of 2011.

Existing law, the Healthy Schools Act of 2000, requires that the preferred method of managing pests at schoolsites, as defined, is to use effective, least-toxic pest management practices and requires schoolsites to maintain records of all pesticides used at the schoolsite for a period of 4 years. Existing law requires schools to provide all staff and parents or guardians of pupils enrolled at a school written notification of, among other things, expected pesticide use at that schoolsite. These provisions also require the Department of Pesticide Regulation to establish an integrated pest management training program in order to facilitate the adoption of a model Integrated Pest Management program and least-hazardous pest control practices by schoolsites.

This bill would enact the Healthy Schools Act of 2011. The bill would provide that only self-contained baits, gels, and pastes deployed as crack and crevice treatments and spot treatments may be used on schoolsites. The bill would prohibit use of a pesticide on a schoolsite if that pesticide contains an ingredient known to the state to cause cancer or reproductive toxicity, as specified, or any one of specified cholinesterase-inhibiting pesticides. The bill would prohibit, on and after January 1, 2014, the use of a pesticide on a schoolsite if that product contains certain toxic or dangerous ingredients, as described, including any cholinesterase-inhibiting active ingredient, as identified by the

Department of Pesticide Regulation, an active ingredient that is a groundwater or toxic air contaminant, as specified, or a fumigant, as identified by the Department of Pesticide Regulation.

The bill would also require all schoolsites, as defined and except as specified, to send at least one person to one of the department trainings at least once every 2 years. Because this provision would impose additional duties on local public employees, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. This act shall be known and may be cited as the
- 2 Healthy Schools Act of 2011.
- 3 SEC. 2. The Legislature hereby finds and declares all of the
- 4 following:
- 5 (a) Pesticides have been linked to numerous acute and chronic
- 6 illnesses, including cancer and asthma.
- 7 (b) According to the federal Centers for Disease Control and
- 8 Prevention, children between six and 11 years of age have higher
- 9 levels of commonly used pesticides in their bodies than any other
- 10 age group, with an average of six pesticides per child. According
- 11 to research conducted by the University of California, San
- 12 Francisco, children’s disease and conditions linked to pesticide
- 13 exposure, which include learning disabilities, cancer of the brain
- 14 and leukemia, birth defects, and asthma, have increased
- 15 dramatically over the past 30 years. Because children’s bodies and
- 16 brains are still developing, exposure to pesticides can have
- 17 irreversible detrimental effects.
- 18 (c) Recognizing the impact of pesticides on the school
- 19 community, the Department of Pesticide Regulation has developed
- 20 an Internet Web site, written training materials, and conducted

1 regional training sessions to assist schools that have chosen to
2 adopt least-toxic integrated pest management techniques and to
3 eliminate the use of the most dangerous pesticides.

4 (d) However, many California public schools continue to use
5 highly toxic pesticides. Least-toxic pest management activities
6 have actually decreased from 2004 to 2007, inclusive, as measured
7 by the report titled 2007 Integrated Pest Management Survey of
8 California School Districts, prepared for the Department of
9 Pesticide Regulation. Forty-two percent of school districts that
10 responded to the survey stated that they were still broadcast
11 spraying pesticides, one of the highest risk practices for exposing
12 children and staff and contaminating the environment. Of the
13 school districts that claimed to be implementing integrated pest
14 management practices, 62 percent stated that the costs were the
15 same or less than using chemical-intensive methods.

16 (e) According to the State Department of Education, there are
17 over 1,000 school districts, and about 9,900 school sites in
18 California servicing over 6,000,000 pupils.

19 (f) It is necessary to take precautionary measures to protect the
20 health and safety of California schoolchildren and teachers, and
21 better ensure a safe learning and working environment.

22 SEC. 3. Section 17610.2 is added to the Education Code, to
23 read:

24 17610.2. Only self-contained baits, gels, and pastes deployed
25 as crack and crevice treatments and spot treatments may be used
26 on schoolsites.

27 SEC. 4. Section 17610.3 is added to the Education Code, to
28 read:

29 17610.3. The use of a pesticide on a schoolsite is prohibited if
30 that pesticide contains one or more of the following ingredients:

31 (a) An ingredient known to the state to cause cancer or
32 reproductive toxicity in accordance with Section 25249.8 of the
33 Health and Safety Code.

34 (b) Any of the following cholinesterase-inhibiting pesticides:

- 35 (1) Acephate.
- 36 (2) Chlorpyrifos.
- 37 (3) Ethephon.
- 38 (4) Malathion.
- 39 (5) Methamidiphos.
- 40 (6) Propetamphos.

1 (7) Trichlorfon.

2 SEC. 5. Section 17610.4 is added to the Education Code, to
3 read:

4 17610.4. On or after January 1, 2014, the use of a pesticide on
5 a schoolsite is prohibited if that pesticide product comes within
6 any of the following descriptions:

7 (a) Contains any cholinesterase-inhibiting active ingredients as
8 identified by the Department of Pesticide Regulation.

9 (b) Contains active ingredients that are groundwater
10 contaminants as determined by the Director of Pesticide Regulation
11 pursuant to subdivision (d) of Section 13145 or Section 13149 of
12 the Food and Agricultural Code.

13 (c) Contains active ingredients that are designated as toxic air
14 contaminants pursuant to Section 14021 or 14023 of the Food and
15 Agricultural Code.

16 (d) Contains active ingredients that are fumigants as identified
17 by the Department of Pesticide Regulation.

18 (e) Is labeled with the signal word “danger” or “warning”
19 pursuant to regulations adopted by the secretary pursuant to
20 provisions of Division 7 (commencing with Section 12500) of the
21 Food and Agricultural Code governing the registration and labeling
22 of pesticides.

23 SEC. 6. Section 13185 of the Food and Agricultural Code is
24 amended to read:

25 13185. (a) The department shall establish an integrated pest
26 management training program in order to facilitate the adoption
27 of a model IPM program and least-hazardous pest control practices
28 by schoolsites. *All schoolsites, as defined in Section 17609 of the*
29 *Education Code, excluding family day care homes, as defined in*
30 *Section 1596.78 of the Health and Safety Code, shall send at least*
31 *one person to one of the department trainings at least once every*
32 *two years.* In establishing the IPM training program, the department
33 shall do all of the following:

34 (1) Adopt a “train-the-trainer” approach, whenever feasible, to
35 rapidly and broadly disseminate program information.

36 (2) Develop curricula and promote ongoing training efforts in
37 cooperation with the University of California and the California
38 State University.

39 (3) Prioritize outreach on a regional basis first and then to school
40 districts. For outreach to child day care facilities, the department

1 shall participate in existing trainings that provide opportunities for
2 disseminating program information broadly on a regional basis.

3 (b) Nothing in this article shall preclude a schoolsite from
4 adopting stricter pesticide use policies.

5 SEC. 7. If the Commission on State Mandates determines that
6 this act contains costs mandated by the state, reimbursement to
7 local agencies and school districts for those costs shall be made
8 pursuant to Part 7 (commencing with Section 17500) of Division
9 4 of Title 2 of the Government Code.

O

SB 394 (DeSaulnier)
As Introduced – February 16, 2011
HEALTHY SCHOOLS ACT OF 2011
Fact Sheet

SUMMARY

SB 394 establishes the Healthy Schools Act of 2011, creating measures to protect the health and safety of California school children and teachers and better ensure a safe learning and working environment. This bill requires that all “schoolsites” participate in critical Department of Pesticide Regulation (DPR) training on least toxic pest management and take other steps to reduce or eliminate exposure to pesticides.

BACKGROUND

Under current law, effective, least toxic pest management practices are “the preferred method of managing pests at schoolsites.” A 2007 DPR survey revealed that most schools using these practices found them to be more effective and no more costly than the conventional practices they had used in the past. Although the DPR offers least toxic pest management training to schools, about a third of school districts have yet to take advantage of the training. The 2007 survey found that 40 percent of school districts continue to use high-exposure methods for treating weed problems, and only 60 percent use low-exposure baits for ant management.

Pesticides cause a variety of health problems. According to the U.S. Environmental Protection Agency, “Adverse effects of pesticide exposure range from mild symptoms of dizziness and nausea to serious, long-term neurological, developmental and reproductive disorders.”

Children are more exposed to pesticides than adults: they have relatively greater skin surface and breathing rates, and their behavior puts them in greater contact with contaminated surfaces. Children are also more susceptible to pesticides than adults since their bodies are growing and

developing. As the U.S. Environmental Protection Agency states: “There are ‘critical periods’ in human development when exposure to a toxin can permanently alter the way an individual’s biological system operates.”

PREVIOUS LEGISLATION

AB 2260 (Shelley) of 2000 – Chaptered
AB 1006 (Chu) of 2003 – Held Senate Agriculture & Water Resources Committee
AB 2865 (Torrico) of 2006 – Chaptered
SB 1157 (DeSaulnier) of 2010 – Vetoed

THIS BILL

SB 394 requires public K-12 schools as well as day care facilities to participate in DPR’s existing integrated pest management trainings. This will ensure that child care and school personnel are trained in the most efficacious, cost-effective, least toxic pest management methods available for treating pests while protecting the health of children, teachers and workers. The bill also prohibits the use of higher risk pesticides and application techniques that are hazardous, protecting children from high-exposure to toxic chemicals.

STATUS

February 16th – Introduced

SUPPORT

- Breast Cancer Action
- Center for Environmental Health
- Fresno Metro Ministry
- Parents for a Safer Environment
- Pesticide Watch
- San Francisco Bay Area Chapter of Physicians for Social Responsibility

OPPOSITION

- None Received

FOR MORE INFORMATION

Indira McDonald
Office of Senator Mark DeSaulnier
(916) 651-4007

Paul S. Towers
Pesticide Watch
(916) 551-1883

ORGANIZATIONAL LETTERHEAD

Date

Senator Mark DeSaulnier
State Capitol
Sacramento, CA 95814
FAX (916) 445-2527

Re: Support of SB 394 (DeSaulnier), Healthy Schools Act of 2011

Dear Senator DeSaulnier,

SAMPLE LANGUAGE FOR AGENCY: On behalf of NAME/DESCRIPTION OF YOUR ORGANIZATION/INTEREST IN THIS ISSUE, I am writing in support of Senate Bill 394, the Healthy Schools Act of 2011. SB 394 will require California public schools and certain child care centers to take commonsense steps to reduce pesticide use and ensure a safer learning and working environment for California school children and teachers. The bill promotes use of integrated pest management practices and will ensure schools do not use pesticides with active ingredients known by the State of California to cause cancer or reproductive toxicity or to be groundwater contaminants, toxic air contaminants, or fumigants.

SAMPLE LANGUAGE FOR INDIVIDUAL: I am INDIVIDUAL'S FULL NAME (ZIP CODE)/ DESCRIPTION OF YOUR INTEREST/EXPERTIES IN THIS ISSUE and am writing in support of Senate Bill 394, the Healthy Schools act of 2011. SB 394 will require California public schools and certain child care centers to take commonsense steps to reduce pesticide use and ensure a safer learning and working environment for California school children and teachers. The bill promotes use of integrated pest management practices and will ensure schools do not use pesticides with active ingredients known by the State of California to cause cancer or reproductive toxicity or to be groundwater contaminants, toxic air contaminants, or fumigants.

Under current law, the California Department of Pesticide Regulation (DPR) is directed to support schools in implementing "Integrated Pest Management" (IPM), which focuses on using the least toxic alternatives to pesticides. However, this program is voluntary, and in 2009 alone, California schools reported over 27,000 professional applications of pesticides on school property. According to another DPR survey, 40% of school districts continue to use high-exposure methods for treating weed problems, while only 60% are using low-exposure baits for ant management – two of the most common pest problems at California schools.

Exposure to pesticides can have irreversible detrimental effects on children. According to the U.S. Environmental Protection Agency (EPA), adverse effects of pesticide exposure can range "from mild symptoms of dizziness and nausea to serious, long-term neurological, developmental and reproductive disorders." Children are particularly vulnerable, since they are at a critical period of human development when "exposure to a toxin can permanently alter the way an individual's biological system operates," according to the EPA.

ORGANIZATIONAL LETTERHEAD

Fortunately, in the majority of cases, IPM techniques have already proven not only to be less hazardous to human health, but also more effective and less costly than conventional pesticide approaches to pest management. According to recent DPR publications, more than 60% of California school districts using IPM reported improved pest management, with more than two-thirds reporting IPM cost less, or was equivalent to, the costs of conventional pesticide techniques.

Passage of SB 394 would simply ensure that all California public school children enjoy the same health protections currently being provided by school districts that have already moved toward the most effective, efficient, and cost-effective pest control - IPM.

Thank you for your leadership on this important bill.

Sincerely,

NAME
TITLE AND AGENCY (FOR ORGANIZATIONS) OR
ADDRESS WITH ZIP CODE (FOR INDIVIDUALS)

SENATE BILL**No. 429****Introduced by Senator DeSaulnier**

February 16, 2011

An act to amend Section 8484.8 of the Education Code, relating to community learning centers.

LEGISLATIVE COUNSEL'S DIGEST

SB 429, as introduced, DeSaulnier. Education: community learning centers: funding.

Existing law provides that specified funds are available for carrying out programs related to the 21st Century Community Learning Centers programs, as specified.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8484.8 of the Education Code is amended
 2 to read:
 3 8484.8. ~~In accordance~~ *Consistent* with Part B of Title IV of
 4 the federal No Child Left Behind Act of 2001 (P.L. 107-110),
 5 funds appropriated in Item 6110-197-0890 of Section 2.00 of the
 6 Budget Act of 2002 are available for expenditure as follows, with
 7 any subsequent allocations for these purposes to be determined in
 8 the annual Budget Act:
 9 (a) Beginning with the 2006–07 fiscal year, 5 percent of the
 10 federal funds appropriated through this article shall be available
 11 to the department for purposes of providing technical assistance,

1 evaluation, and training services, and for contracting for local
2 technical assistance, for carrying out programs related to 21st
3 Century Community Learning Centers programs.

4 (1) The department shall provide directly, or contract for,
5 technical assistance for new programs and any program that is not
6 meeting attendance or performance goals, or both, and requests
7 that assistance.

8 (2) (A) Training and support shall include, but is not limited
9 to, the development and distribution of voluntary guidelines for
10 physical activity programs established pursuant to paragraph (2) of
11 subdivision (c) of Section 8482.3, that expand the learning
12 opportunities of the schoolday.

13 (B) The department shall distribute these voluntary guidelines
14 for physical activity programs on or before July 1, 2009.

15 (b) (1) At least 10 percent of the total amount appropriated
16 pursuant to this article, after funds have been allocated pursuant
17 to subdivision (a), shall be available for direct grants for either of
18 the following purposes:

19 (A) Grants to provide equitable access and participation in
20 community learning center programs, in an amount not to exceed
21 twenty-five thousand dollars (\$25,000) per site, per year, according
22 to needs determined by the local community.

23 (B) Grants to provide family literacy services, in an amount not
24 to exceed twenty thousand dollars (\$20,000) per site, per year, for
25 schoolsites that identify such a need for families of 21st Century
26 Community Learning Centers program pupils, and that demonstrate
27 a fiscal hardship by certifying that existing resources, including,
28 but not limited to, funding for Title III of the federal No Child Left
29 Behind Act of 2001, Chapter 3 (commencing with Section 300)
30 of Part 1, adult education, community college, and the federal Even
31 Start Program are not available or are insufficient to serve these
32 families. An assurance that the funds received pursuant to this
33 subdivision are expended only for those services and supports for
34 which they were granted shall be required.

35 (2) For the purposes of subparagraph (A) of paragraph (1), the
36 department shall determine the requirements for eligibility for a
37 grant, consistent with the following:

38 (A) Consistent with the local partnership approach inherent in
39 Article 22.5 (commencing with Section 8482), grants awarded
40 under this subdivision shall provide supplemental assistance to

1 programs. It is not intended that a grant fund the full anticipated
2 costs of the services provided by a community learning center
3 program.

4 (B) In determining the need for a grant pursuant to this
5 subdivision, the department shall base its determination on a needs
6 assessment and a determination that existing resources are not
7 available to meet these needs, including, but not limited to, a
8 description of how the needs, strengths, and resources of the
9 community have been assessed, currently available resources, and
10 the justification for additional resources for that purpose.

11 (C) The department shall award grants for a specific purpose,
12 as justified by the applicant.

13 (3) To be eligible to receive a grant under this subdivision, the
14 designated public agency representative for the applicant shall
15 certify that an annual fiscal audit will be conducted and that
16 adequate, accurate records will be kept. In addition, each applicant
17 shall provide the department with the assurance that funds received
18 under this subdivision are expended only for those services and
19 supports for which they are granted. The department shall require
20 grant recipients to submit annual budget reports, and the department
21 may withhold funds in subsequent years if direct grant funds are
22 expended for purposes other than as awarded.

23 (4) The department shall require grant recipients to submit
24 quarterly expenditure reports, and the department may withhold
25 funds in subsequent years if access or literacy grant funds are
26 expended for purposes other than as granted.

27 (c) At least 50 percent of the total amount appropriated pursuant
28 to this article, after funds have been allocated pursuant to
29 subdivision (a), shall be allocated on a priority basis for direct
30 grants to community learning centers serving high school pupils
31 funded pursuant to Section 8421.

32 (d) Grant awards under this section shall be restricted to those
33 applications that propose primarily to serve pupils that attend
34 schoolwide programs, as described in Title I of the federal No
35 Child Left Behind Act of 2001. Competitive priority shall be given
36 to applications that propose to serve children and youth in schools
37 designated as being in need of improvement under subsection (b)
38 of Section 6316 of Title 20 of the United States Code, and that are
39 jointly submitted by school districts and community-based
40 organizations.

1 (e) (1) At least 40 percent of the total amount appropriated
2 pursuant to this article, after funds have been allocated pursuant
3 to subdivision (a), shall be allocated to programs serving
4 elementary and middle school pupils. The administrators of a
5 program established pursuant to this article may operate during
6 regular schooldays for a minimum of 15 hours per week and any
7 combination of summer, intersession, or vacation periods for a
8 minimum of three hours per day for the regular school year
9 pursuant to Section 8483.7. Grantees administering comprehensive
10 programs established pursuant to Section 8482.3 are also eligible
11 for funding for summer, intersession, or vacation periods pursuant
12 to this section.

13 (2) Core funding grants for programs serving middle and
14 elementary school pupils in before and after school programs shall
15 be allocated according to the same funding provisions, and subject
16 to the same reporting and accountability provisions, as described
17 in Sections 8483.7 and 8483.75.

18 (3) (A) Funding for a grant shall be allocated in annual
19 increments for a period not to exceed five years, subject to annual
20 reporting and recertification as required by the department. The
21 department shall establish a payment system to accommodate
22 ~~upfront~~ *up-front* payments. The department shall notify new
23 grantees, whose grant awards are contingent upon the appropriation
24 of funds for those grants, in writing no later than May 15 of each
25 year in which new grants are awarded. A first-year grant award
26 shall be made no later than 60 days after enactment of the annual
27 Budget Act and any authorizing legislation. A grant award for the
28 second and subsequent fiscal years shall be made no later than 30
29 days after enactment of the annual Budget Act and any authorizing
30 legislation. The grantee shall notify the department in writing of
31 its acceptance of the grant.

32 (B) For the first year of a grant, the department shall allocate
33 25 percent of the grant for that year no later than 30 days after the
34 grantee accepts the grant. For the second and subsequent years of
35 the grant, the department shall allocate 25 percent of the grant for
36 that year no later than 30 days after the annual Budget Act becomes
37 effective. The grantee shall not use more than 15 percent of an
38 annual grant award for administrative costs.

39 (C) In addition to the funding allowed for administrative costs
40 under subparagraph (B), up to 15 percent of the initial annual grant

1 award for each core grant recipient may be utilized for startup
2 costs.

3 (D) Under no circumstance shall funding made available
4 pursuant to subparagraphs (B) and (C) result in an increase in the
5 total funding of a grantee above the approved grant amount.

6 (4) A grantee shall identify the federal, state, and local programs
7 that will be combined or coordinated with the proposed program
8 for the most effective use of public resources, and shall prepare a
9 plan for continuing the program beyond federal grant funding.

10 (5) A grantee shall submit semiannual attendance data and
11 results to facilitate evaluation and compliance in accordance with
12 provisions established by the department.

13 (6) A program receiving a grant under this subdivision is not
14 assured of grant renewal from future state or federal funding at
15 the conclusion of the grant period. However, priority for funding
16 pursuant to this subdivision shall be given to programs with
17 expiring grants, if those programs have satisfactorily met projected
18 pupil outcomes pursuant to subdivision (a) of Section 8484.

19 (f) A total annual grant award for core funding and direct grants
20 for a site serving elementary or middle school pupils shall be fifty
21 thousand dollars (\$50,000) per year or more, consistent with federal
22 requirements.

23 (g) Notwithstanding any other provision of law, and contingent
24 upon the availability of funding, the department may adjust the
25 core grant cap of any grantee based upon one or both of the
26 following:

27 (1) Amendments made to this section by Chapter 555 of the
28 Statutes of 2005.

29 (2) The demonstrated pupil attendance pattern of the grantee.
30 The department may adjust grant awards pursuant to subparagraph
31 (A) of paragraph (1) of subdivision (a) of Section 8483.7.

32 (h) Funds received but unexpended under this article may be
33 carried forward to subsequent years consistent with federal
34 requirements. In year one, the full grant may be retained.

35 (i) If funds remain after all of the priority allocations required
36 pursuant to subdivisions (a), (b), (c), and (e) have been made, the
37 department may use that money to fund additional qualified grant
38 applications under subdivision (c), in order to ensure that all federal
39 funds received for these purposes are expended for these purposes.
40 If funds remain after additional qualified grant applications are

1 approved for funding pursuant to subdivision (c), the department
2 may award the remaining funds for additional qualified grant
3 applications pursuant to subdivisions (b) and (e).

4 (j) In any fiscal year in which the total state appropriation for
5 that fiscal year exceeds the total state appropriation for the 2008–09
6 fiscal year after funds have been allocated pursuant to subdivision
7 (a), the excess amount shall be allocated on a priority basis for
8 direct grants to community learning centers funded pursuant to
9 Section 8421 as follows:

10 (1) Thirty-five percent to community learning centers serving
11 high school pupils.

12 (2) Fifty percent to community learning centers serving
13 elementary and middle school pupils.

14 (3) Fifteen percent to summer programs serving elementary and
15 middle school pupils.

16 (k) This article shall be operative only to the extent that federal
17 funds are made available for the purposes of this article. It is the
18 intent of the Legislature that this article not be considered a
19 precedent for general fund augmentation of either the state
20 administered, federally funded program of this article, or any other
21 state funded before or after school program.

**SB 429 (DeSaulnier)
As Introduced – February 16, 2011**

**AFTER SCHOOL EDUCATION AND SAFETY PROGRAM AND 21ST CENTURY
COMMUNITY LEARNING CENTER FUNDING
Fact Sheet**

SUMMARY

SB429 makes beneficial changes to the After School Education and Safety (ASES) and 21st Century Community Learning Centers Programs. SB429 increase flexibility around the use of summer ASES and 21st CCLC supplemental grants in order to maximize student attendance and increase student learning.

BACKGROUND

In 2002, voters overwhelmingly passed Proposition 49, the After School Education and Safety Program Act that expanded state investment in after school programs from \$120 million to \$550 million. California is also responsible for administering the federal after school program, 21st Century Community Learning Center Program, bringing California's investment in after school programs to \$670 million annually. The programs collectively serve over 400,000 students.

Although California's investment in after school is significant, there is an unmet need during the summer months. Summer represents a critical time for children, particularly for low-income children who are disproportionately impacted by summer learning loss. Additionally, the health of students is at risk during the summer as access to nutritious meals and physical activity decreases.

Due to recent budget cuts, many districts have been forced to cut or severely reduce or eliminated summer school. As a result, summer learning programs that run alongside summer school to offer tutoring, homework assistance and educational enrichment have faced significant challenges. ASES and 21st CCLC supplemental grantees need the flexibility to offer a program during hours that respond to student and family needs in the context of scaled back summer school options.

Many school districts have been forced to close school buildings for the summer in order to save money. The lack of school facilities has created an operational challenge for summer learning programs funded through ASES and 21st CCLC which primarily operate through schools.

In addition, participation in ASES and 21st CCLC funded programs is limited to the students attending the funded school. Therefore supplemental grantees are prohibited from offering services to students living in the vicinity of the program site, if they attend a school that has not been granted supplemental funding. However, some of these programs are undersubscribed in the summer and the resource could be maximized by allowing grantees to enroll children in the surrounding neighborhood.

Legislation is needed to solve these challenges to give more flexibility to supplemental learning programs and meet the specific needs of their students. California has a unique opportunity to build on the After School Education and Safety Program and the 21st Century Community Learning Center Program by creating innovative summer programming that combats learning loss and sparks children's natural enthusiasm and curiosity.

PREVIOUS LEGISLATION

SB 798 (DeSaulnier) of 2009 - Chaptered by Secretary of State

THIS BILL

SB429 would provide current after school grantees with supplemental grants flexibility to better address the needs of students and communities during the summer months. There is no cost for this flexibility, since the supplemental grants have already been allocated to these programs. This bill simply allows grantees to use their supplemental grants more

flexibly. Programs would be allowed to operate extended days, open programs to students throughout the district and operate at approved sites in the community.

SB429 would make the following changes:

- Allow supplemental grantees to run either a 3 hour program at \$7.50 per child per day or a 6 hour program at \$15 per child per day.
- Allow supplemental grantees to enroll any student in the district if the program is not fully subscribed by children in the school boundaries.
- Clarify that supplemental grantees may operate at non-school sites, recognizing many districts are closing schools in the summer for budget reasons as long they notify the State Department of Education and include a plan to provide a free or reduced nutritious meal and safe transportation.

STATUS

February 24th – Referred to Committee on Rules

SUPPORT

- Tom Torlakson, Superintendent of Public Instruction (Sponsor)
- Partnership for Children and Youth (co-sponsor)
- Children Now (co-sponsor)

OPPOSITION

- No Opposition

FOR MORE INFORMATION

Cynthia Alvarez and Rosanna Carvacho
Office of Senator Mark DeSaulnier
(916) 651-4007

ASSEMBLY BILL**No. 861****Introduced by Assembly Members Hill and Nestande**

February 17, 2011

An act to add a heading as Article 1 (commencing with Section 104100) to, and to add Article 2 (commencing with Section 104141) to, Chapter 1 of Part 1 of Division 103 of, the Health and Safety Code, relating to stroke.

LEGISLATIVE COUNSEL'S DIGEST

AB 861, as introduced, Hill. California Stroke Registry.

Existing law authorizes the State Department of Public Health to perform studies, demonstrate innovative methods, and disseminate information relating to the protection, preservation, and advancement of public health.

This bill would establish the California Stroke Registry, to be administered by the State Department of Public Health, as specified, to serve as a centralized repository for stroke data to promote quality improvement for acute stroke treatment. The bill would require that the program be implemented only to the extent funds from federal or private sources are made available for this purpose.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

1 (a) Stroke, also known as cerebrovascular accident or brain
2 attack, is the third leading cause of death and the leading cause of
3 severe, long-term disability and death in California.

4 (b) Stroke kills approximately 15,585 Californians each year
5 and accounts for almost 200,000 hospitalizations.

6 (c) The rapid identification, diagnosis, and treatment of stroke
7 can save the lives of stroke patients and in some cases can reverse
8 neurological damage, such as paralysis and speech and language
9 impairments, leaving stroke patients with few or no neurological
10 deficits.

11 SEC. 2. The heading of Article 1 (commencing with Section
12 104100) is added to Chapter 1 of Part 1 of Division 103 of the
13 Health and Safety Code, to read:

14
15 Article 1. High Blood Pressure

16
17 SEC. 3. Article 2 (commencing with Section 104141) is added
18 to Chapter 1 of Part 1 of Division 103 of the Health and Safety
19 Code, to read:

20
21 Article 2. California Stroke Registry

22
23 104141. (a) The State Department of Public Health shall
24 establish a statewide California Stroke Registry. The purpose of
25 this registry is to serve as a centralized repository for stroke data
26 to promote quality improvement for acute stroke treatment. The
27 registry shall align with the stroke consensus metrics developed
28 by national health organizations such as the federal Centers for
29 Disease Control and Prevention, The Joint Commission, the
30 American Heart Association, and the American Stroke Association.
31 The acquisition of data for the registry shall encompass all areas
32 of the state for which stroke data are available.

33 (b) The registry shall be under the direction of the director and
34 housed within the California Heart Disease and Stroke Prevention
35 Program. The cardiovascular disease program may accept, on
36 behalf of the state, grants of public or private funds.

37 (c) The department may contract with an agency, including, but
38 not limited to, a health systems agency, single county health
39 department, multicounty health department groupings, or nonprofit
40 professional associations, representing a designated reporting

1 region for the purposes of collecting and collating acute stroke
2 data.

3 (d) The department may contract, or provide grant awards, to
4 implement public health activities to fulfill required funding award
5 objectives.

6 (e) In establishing this system, the director shall:

7 (1) Maintain a statewide stroke database that compiles
8 information and statistics on stroke care. To the extent possible,
9 the department shall coordinate with the organizations specified
10 in subdivision (a) to avoid duplication and redundancy in data
11 collection.

12 (2) Recommend that hospitals and emergency medical services
13 agencies report case-specific data on the treatment of individuals
14 with suspected acute stroke to the representative of the department
15 authorized to compile the stroke data, or any individual, agency,
16 or organization designated to cooperate with that representative.

17 (3) Encourage sharing of information and data among health
18 care providers to improve the quality of care for stroke.

19 (4) Facilitate the communication and analysis of health
20 information and data among the health care professionals providing
21 care for individuals with stroke.

22 (5) Consult with the Stroke Advisory Committee of the
23 American Stroke Association regarding ways in which to improve
24 the quality of stroke care and delivery in California.

25 (f) All information collected pursuant to this section shall be
26 confidential. For purposes of this section, this information shall
27 be referred to as “confidential information.” The department, or
28 its designee, shall use this information to evaluate measures
29 designed to improve the quality of acute stroke treatment.

30 104141.5. (a) Persons with a valid scientific interest who are
31 engaged in demographic, epidemiological, or other similar studies
32 related to health, and who meet qualifications as determined by
33 the department, and who agree, in writing, to maintain
34 confidentiality, may be authorized access to confidential
35 information. Before confidential information is disclosed for study,
36 researchers shall do both of the following:

37 (1) Obtain approval of their committee for the protection of
38 human subjects established in accordance with Part 46
39 (commencing with Section 46.101) of Title 45 of the Code of
40 Federal Regulations.

1 (2) Provide documentation to the department that demonstrates
2 to the department's satisfaction that the entity has established the
3 procedures and ability to maintain the confidentiality of the
4 information.

5 (b) Notwithstanding any other law, any disclosure authorized
6 by this section shall include only the information necessary for the
7 stated purpose of the requested disclosure, used for the approved
8 purpose, and not be further disclosed.

9 (c) The furnishing of confidential information to the department
10 or its authorized representative in accordance with this section
11 shall not expose any person, agency, or entity furnishing
12 information to liability, and shall not be considered a waiver of
13 any privilege or a violation of a confidential relationship.

14 (d) The department shall maintain an accurate record of all
15 persons who are given access to confidential information. The
16 record shall include the name of the person authorizing access;
17 name, title, address, and organizational affiliation of persons given
18 access; dates of access; and the specific purpose for which
19 information is to be used. The record of access shall be open to
20 public inspection during normal operating hours of the department.

21 (e) Notwithstanding any other law, no part of the confidential
22 information shall be available for subpoena, nor shall it be
23 disclosed, discoverable, or compelled to be produced in any civil,
24 criminal, administrative, or other proceeding, nor shall this
25 information be deemed admissible as evidence in any civil,
26 criminal, administrative, or other tribunal or court for any reason.

27 (f) This section shall not prohibit the publication by the
28 department of reports and statistical compilations that do not in
29 any way identify individual cases or individual sources of
30 information.

31 (g) Notwithstanding the restrictions in this section, the individual
32 to whom the information pertains shall have access to his or her
33 own information in accordance with Chapter 1 (commencing with
34 Section 1798) of Title 1.8 of the Civil Code.

35 104142. For the purpose of this article, stroke means either of
36 the following:

37 (a) Ischemic stroke, defined as an occlusion of a blood vessel
38 that blocks blood flow to the brain, depriving the brain of oxygen,
39 and resulting in brain tissue death. This definition includes transient

1 ischemic attacks, defined as stroke-like symptoms for less than 24
2 hours.

3 (b) Hemorrhagic stroke, defined as a rupture of a blood vessel,
4 resulting in bleeding into or around the brain.

5 104142.5. Nothing in this article shall preempt the authority
6 of facilities or individuals providing diagnostic or treatment
7 services to patients with stroke to maintain their own facility-based
8 stroke registries.

9 104143. This article shall not be construed as a medical practice
10 guideline and shall not be used to restrict the authority of a hospital
11 to provide services for which it has received a license under state
12 law.

13 104143.5. This article shall be implemented only to the extent
14 funds from federal or private sources are made available for this
15 purpose.

16 104144. All contracts with, and the utilization of, the program's
17 fiscal intermediary shall not be subject to Part 2 (commencing with
18 Section 10100) of Division 2 of the Public Contract Code.

O

AB 861 (Hill)

California Stroke Registry

Summary

This bill establishes a stroke registry to be managed by the California Department of Public Health, Heart Disease and Stroke Prevention Program.

Background

Stroke, also known as a brain attack, is the third leading cause of death in California. Each year, stroke kills approximately 15,585 Californians and accounts for almost 200,000 hospitalizations.

Stroke is also the leading cause of long-term disability. The length of time to recover from a stroke depends on its severity. Between 50% and 70% of stroke survivors regain functional independence, however 15% to 30% are permanently disabled and 20% require institutional care at 3 months after onset.

The estimated direct and indirect cost in the U.S. of stroke for 2010 is \$73.7 billion.

Recognizing the impact stroke has on the nation, in 2001, Congress directed the Centers for Disease Control (CDC) with implementing state-based registries that measure and track acute stroke care. This data would then be used to improve the quality of that care. Congress further designated the program to be named the Paul Coverdell National Acute Stroke Registry (PCNASR).

The pilot phase of this national effort extended from 2001 to 2004, during which time eight prototype registries were funded, including one located at the University of California, San Francisco. The prototype projects gathered data on stroke care, beginning with emergency response and ending with the patient's disposition at the time of hospital discharge.

To better position California as a competitive applicant for additional PCNASR funding, in 2007 the California Heart Disease and Stroke Prevention Program began development of a stroke registry. The registry has been modeled after the PCNASR in content and format.

The California Heart Disease and Stroke Prevention Program is eligible to apply for PCNASR funding during the next grant cycle (2012) for the development of a permanent, long-term disease registry. However,

under the current code, the California Department of Public Health (CDPH) does not have statutory authority to develop a stroke registry.

Specifically, authority is needed to: (1) collect patient-level data and (2) allow for the sharing of data, outside of CDPH, for the purposes of research, quality improvement and surveillance. To receive Paul Coverdell National Acute Stroke Registry funding, a state must agree to share their stroke registry data (de-identified, in aggregate) with the CDC; therefore, without statutory authority, CDPH will be unable to comply with this requirement.

Existing Law

- Requires the CDPH to conduct a program for the control of high blood pressure.
- Required the CDPH to complete a Heart Disease and Stroke Prevention and Treatment Master Plan. Establishment of a stroke registry is consistent with one of the recommendations in the Master Plan.

This Bill

This bill:

- Requires the California Department of Public Health to maintain a statewide stroke database that compiles information and statistics on stroke care
- Aligns the data requirements with those developed by national health organizations, such as the Centers for Disease Control and Prevention, the Joint Commission on Accreditation of Health Care Organization, and the American Heart Association/American Stroke Association.
- Specifies that all data collected is confidential.
- Shall only be enacted upon receipt of federal or private funding.

Support

American Heart Association (Sponsor)

March XXX, 2011

Assemblyman Jerry Hill
State Assembly District
State Capitol Room, 3160
Sacramento, CA 95814

RE: AB 861 (Hill) – Stroke Registry: Support

Dear Assemblyman Hill,

As an EMS professional with ## years of field experience, I commend you for introducing this important piece of legislation. I can attest to the need for rapid intervention for stroke patients. It is essential for immediate diagnosis and treatment to save lives as well as to significantly reduce long term disability such as neurological damage, paralysis, and speech and language difficulties.

In California, I support the development of a centralized repository for stroke data for continuous quality improvement. Assembly Bill 861(Hill) would establish a voluntary stroke registry to be managed by the California Department of Public Health, Heart Disease and Stroke Prevention Program. California hospital and healthcare systems would have the opportunity to provide vital information on stroke care with the intention of having this important data available to improve quality of patient care and contribute to a substantial cost savings for the state.

Stroke is the third leading cause of death in California and our leading cause of long-term disability. Over 15,585 Californians die of a stroke every year, and account for 200,000 hospitalizations. Thank you for your commitment, through AB 861, to improve the quality and care stroke patients receive in the state.

Sincerely,

Name
Home Address

Cc: American Heart Association fax #: 916-443-2865

AMENDED IN ASSEMBLY FEBRUARY 24, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 340

Introduced by Assembly Member Furutani
(Coauthor: Assembly Member Ma)

February 10, 2011

An act to ~~add Section 31680.9 to~~ amend Section 31461 of, and to add Sections 31540, 31540.2, 31541, 31569, and 31680.9 to, the Government Code, relating to county employees' retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 340, as amended, Furutani. County employees' retirement: postretirement service.

The

(1) *The County Employees Retirement Law of 1937 (CERL) authorizes counties and districts, as defined, to provide a system of retirement benefits to their employees. CERL—permits defines compensation earnable for the purpose of calculating benefits as the average compensation for the period under consideration with respect to the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay, as determined by the retirement board.*

This bill would prohibit a variety of payments including bonus payments, housing allowances, severance pay, vehicle allowances, and payments for unused vacation, sick leave, or compensatory time off, exceeding what may be earned and payable in a 12-month period, from being included in compensation earnable. The bill would prohibit any compensation determined by the board to have been paid for the purpose of enhancing a member's retirement benefit from being included in

compensation earnable. The bill would except from this prohibition compensation that a member was entitled to receive pursuant to a collective bargaining agreement that was subsequently deferred or otherwise modified as a result of a negotiated amendment of that agreement. The bill would permit a member or employer to present evidence that compensation was not paid for the purpose of enhancing a member's benefit and would permit the board to revise its determination upon receipt of sufficient evidence to that effect.

The bill would also require a county or district, when reporting compensation to a retirement board, to identify the pay period in which the compensation was earned regardless of when it was reported or paid. The bill would authorize the board to assess a county or district a reasonable amount to cover the cost of audit, adjustment, or correction, if it determines that a county or district knowingly failed to comply with these requirements, as specified. The bill would authorize a retirement board to audit a county or district and to require a county or district to provide information, or make information available for examination or copying at a specified time and place, to determine the correctness of retirement benefits, reportable compensation, and enrollment in, and reinstatement to, the system.

(2) CERL generally provides that each person entering employment becomes a member of a retirement system on the first day of the calendar month after his or her entrance into service, unless otherwise provided by regulations adopted by the board. CERL permits people in certain employment classifications the option to elect membership in the retirement system, including elective officers, and prohibits membership for persons providing temporary technical or professional services under contract.

This bill would require a county or district that fails to enroll an employee into membership within 90 days of when he or she becomes eligible, when the employer knows or should have known that the person was eligible, to pay all costs in arrears for member contributions and administrative costs of \$500 per member.

(3) CERL permits members of a county retirement system who have retired to be reemployed without reinstatement into the system in certain circumstances including in a position requiring special skills or knowledge.

This bill, on and after January 1, 2012, would prohibit a person who has been retired for service from a CERL retirement system from being reemployed in any capacity without reinstatement into the system by a

district or county operating a county retirement system established under this CERL unless at least 180 days have elapsed since the person's date of retirement, except as specified. The bill would prohibit a person whose employment without reinstatement is authorized under CERL from receiving service credit for that employment. The bill would require that a retired member employed in violation of provisions regarding employment without reinstatement to reimburse the retirement system for any retirement allowance received during that period and pay for administrative expenses incurred in responding to the violation. The bill would also require the county or district to reimburse the retirement system in this regard in specified circumstances.

Vote: majority. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. *The Legislature finds and declares that the*
2 *amendments made to the County Employees' Retirement Law of*
3 *1937 by this act are intended to achieve the following reforms:*

4 (a) *To give the retirement boards the authority and the*
5 *responsibility to audit and deny compensation items that are*
6 *identified as being paid for the principal purpose of enhancing a*
7 *member's retirement benefit.*

8 (b) *To require each retirement system to establish accountability*
9 *provisions for participating employers that include an ongoing*
10 *audit process and to allow the retirement system to assess penalties*
11 *on employers for noncompliance.*

12 (c) *To prohibit final settlement pay and multiple year accruals*
13 *of vacation time, annual leave, personal leave, or sick leave from*
14 *being included in retirement calculations.*

15 (d) *To eliminate the practice of working for a participating*
16 *employer while collecting a retirement benefit, also known as*
17 *double-dipping, by prohibiting a retiree from returning to work*
18 *as a retired annuitant or as a contract employee until at least 180*
19 *days have elapsed since that person's retirement.*

20 SEC. 2. *Section 31461 of the Government Code is amended to*
21 *read:*

22 31461. (a) "Compensation earnable" by a member means the
23 average compensation as determined by the board, for the period
24 under consideration upon the basis of the average number of days

1 ordinarily worked by persons in the same grade or class of positions
 2 during the period, and at the same rate of pay. The computation
 3 for any absence shall be based on the compensation of the position
 4 held by the member at the beginning of the absence. Compensation,
 5 as defined in Section 31460, that has been deferred shall be deemed
 6 “compensation earnable” when earned, rather than when paid.

7 (b) “Compensation earnable” does not include, in any case,
 8 the following:

9 (1) Payments for unused vacation, annual leave, personal leave,
 10 sick leave, or compensatory time off, however denominated,
 11 whether paid in a lump sum or otherwise, in an amount that
 12 exceeds that which may be earned and payable in a 12-month
 13 period.

14 (2) Payments for additional services rendered outside of normal
 15 working hours, whether paid in a lump sum or otherwise.

16 (3) Bonus payments.

17 (4) Housing allowance.

18 (5) Severance pay.

19 (6) Unscheduled overtime.

20 (7) Vehicle allowance.

21 SEC. 3. Section 31540 is added to the Government Code, to
 22 read:

23 31540. (a) Any compensation determined by the board to have
 24 been paid for the purpose of enhancing a member’s retirement
 25 benefit under that system shall not be included in compensation
 26 earnable. If the board determines that compensation was paid for
 27 the purpose of enhancing a member’s benefit, the member or the
 28 employer may present evidence that the compensation was not
 29 paid for that purpose. Upon receipt of sufficient evidence to the
 30 contrary, a board may reverse its determination that compensation
 31 was paid for the purpose of enhancing a member’s retirement
 32 benefits.

33 (b) Compensation that a member was entitled to receive
 34 pursuant to a collective bargaining agreement that was
 35 subsequently deferred or otherwise modified as a result of a
 36 negotiated amendment of that agreement shall be considered
 37 compensation earnable and shall not be deemed to have been paid
 38 for the purpose of enhancing a member’s retirement benefit.

39 SEC. 4. Section 31540.2 is added to the Government Code, to
 40 read:

1 31540.2. (a) When a county or district reports compensation
2 to the board, it shall identify the pay period in which the
3 compensation was earned regardless of when it was reported or
4 paid. Compensation shall be reported in accordance with Section
5 31461 and shall not exceed compensation earnable, as defined in
6 Section 31461.

7 (b) The board may assess a county or district a reasonable
8 amount to cover the cost of audit, adjustment, or correction, if it
9 determines that a county or district knowingly failed to comply
10 with subdivision (a). A county or district shall be found to have
11 knowingly failed to comply with subdivision (a) if the board
12 determines that either of the following apply:

13 (1) The county or district knew or should have known that the
14 compensation reported was not compensation earnable, as defined
15 in Section 31461.

16 (2) The county or district failed to identify the pay period in
17 which compensation earnable was earned, as required by this
18 section.

19 (c) A county or district shall not pass on to an employee any
20 costs assessed pursuant to subdivision (b).

21 SEC. 5. Section 31541 is added to the Government Code, to
22 read:

23 31541. The board may audit a county or district to determine
24 the correctness of retirement benefits, reportable compensation,
25 and enrollment in, and reinstatement to, the system. During an
26 audit, the board may require a county or district to provide
27 information, or make available for examination or copying at a
28 specified time and place, books, papers, data, or records, including,
29 but not limited to, personnel and payroll records, as deemed
30 necessary by the board.

31 SEC. 6. Section 31569 is added to the Government Code, to
32 read:

33 31569. A county or district that fails to enroll an employee into
34 membership within 90 days of when he or she becomes eligible,
35 when the employer knows or would reasonably be expected to have
36 known that the person was eligible, shall pay all costs in arrears
37 for member contributions and administrative costs of five hundred
38 dollars (\$500) per member as a reimbursement to the system's
39 current year budget.

1 SECTION 1.

2 SEC. 7. Section 31680.9 is added to the Government Code, to
3 read:

4 31680.9. (a) Except as provided in Section 31680.1, any person
5 who has been retired for service on or after January 1, 2012, as a
6 member of a county retirement system established under this
7 chapter shall not be reemployed in any capacity either as an
8 employee, an independent contractor, or an employee of a third
9 party without reinstatement by a district or county operating a
10 county retirement system established under this chapter unless at
11 least 180 days have elapsed since the person's date of retirement.

12 (b) A retired person whose employment, without reinstatement,
13 is authorized by this article shall not acquire service credit or
14 retirement rights under this part with respect to that employment.

15 (c) Any retired member employed in violation of this article
16 shall:

17 (1) Reimburse the retirement system for any retirement
18 allowance received during the period or periods of employment
19 that are in violation of law.

20 (2) Contribute toward the reimbursement of the retirement
21 system for administrative expenses incurred in responding to a
22 violation of this article, to the extent the member is determined by
23 the executive officer to be at fault.

24 (d) Any county or district that employs a retired member in
25 violation of this article shall contribute toward the reimbursement
26 of the retirement system for administrative expenses incurred in
27 responding to a violation of this article, to the extent the county
28 or district is determined by the executive officer of this system to
29 be at fault.

30 SEC. 8. *The provisions of this act shall not be interpreted or*
31 *applied to reduce the pension of any person who has retired prior*
32 *to July 1, 2011.*

SENATE BILL**No. 662**

Introduced by Senator DeSaulnierFebruary 18, 2011

An act to add Chapter 12.97 (commencing with Section 18986.65) to Part 6 of Division 9 of the Welfare and Institutions Code, relating to public social services.

LEGISLATIVE COUNSEL'S DIGEST

SB 662, as introduced, DeSaulnier. Integrated health and human services program: Contra Costa County.

Existing law authorizes Humboldt County, Mendocino County, and Alameda County, and any additional county or counties, as determined by the Secretary of California Health and Human Services, to implement a program for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system, subject to certain limitations. Existing law separately requires Placer County, with the assistance of the appropriate state departments, to implement a pilot program in the county, upon approval by that county, for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system.

This bill would require Contra Costa County, with the assistance of the appropriate state departments, to implement a permanent program for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system, upon approval of the county, as specified. The bill would require the county to evaluate the program and submit the evaluation to the Governor and other designated recipients, no later than 6 months following the 3rd year of the implementation of the program, provided

that nonstate funding is available for purposes of the evaluation, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Chapter 12.97 (commencing with Section
2 18986.65) is added to Part 6 of Division 9 of the Welfare and
3 Institutions Code, to read:

4
5 CHAPTER 12.97. CONTRA COSTA COUNTY INTEGRATED HEALTH
6 AND HUMAN SERVICES PROGRAM
7

8 18986.65. (a) Contra Costa County, with the assistance of the
9 appropriate state departments, and within the existing resources
10 of those departments, shall implement a program, upon approval
11 of the county, for the funding and delivery of services and benefits
12 through an integrated and comprehensive county health and human
13 services system in accordance with this chapter.

14 (b) The Contra Costa County program, in providing services
15 through an integrated system to families and individuals, shall do
16 all of the following:

17 (1) Implement and evaluate a universal intake system for those
18 seeking services.

19 (2) Implement and evaluate a system whereby a family or
20 individual eligible for more than one service may be provided
21 those services by as few as a single county employee, through an
22 integrated, coordinated service plan.

23 (3) Implement and evaluate a system of administration that
24 centralizes the management and support of client services.

25 (4) Implement and evaluate a system of reporting and
26 accountability that provides for the combined provision of services
27 as provided for in paragraph (2), without the loss of state or federal
28 funds provided under current law.

29 (c) The integrated system may include, but need not be limited
30 to, any of the following services:

31 (1) Adoption services.

32 (2) Child abuse prevention services.

33 (3) Child welfare services.

- 1 (4) Delinquency prevention services.
- 2 (5) Drug and alcohol services.
- 3 (6) Mental health services.
- 4 (7) Eligibility determination.
- 5 (8) Employment and training services.
- 6 (9) Foster care services.
- 7 (10) Health services.
- 8 (11) Public health services.
- 9 (12) Housing services.
- 10 (13) Medically indigent program services.
- 11 (14) All other appropriately identified and targeted services,
- 12 except for dental care.
- 13 (d) Programs or services shall be included in the program only
- 14 to the extent that federal funding to either the state or the county
- 15 will not be reduced as a result of the inclusion of the services in
- 16 the program. This program shall not generate any increased
- 17 expenditures from the General Fund.
- 18 (e) The county and the appropriate state departments shall jointly
- 19 seek federal approval of the program, as may be needed to ensure
- 20 its funding and allow for the integrated provision of services.
- 21 (f) This chapter shall not authorize the county to discontinue
- 22 meeting its obligations required by law to provide services, or to
- 23 reduce its accountability for the provision of these services.
- 24 (g) This chapter shall not authorize the county to reduce its
- 25 eligibility for state funding for the services included in the program.
- 26 (h) The county shall utilize any state general and county funds
- 27 that it is legally allocated or entitled to receive. Through the
- 28 creation of integrated health and social services structures, the
- 29 county shall maximize federal matching funds.
- 30 (i) The appropriate state departments that are assisting and
- 31 cooperating in the implementation of the program authorized by
- 32 this chapter shall be authorized to waive regulations regarding the
- 33 method of providing services and the method of reporting and
- 34 accountability, as may be required to meet the goals set forth in
- 35 subdivision (b).
- 36 18986.66. (a) The county shall evaluate and prepare a final
- 37 evaluation of the program. The county shall submit its final
- 38 evaluation to the Governor or the Governor's designee and the
- 39 appropriate policy committees of the Legislature, no later than six

1 months following the third year of the implementation of the
2 program.

3 (b) With the assistance of the appropriate state departments, the
4 county shall seek private funding to provide for the evaluation of
5 the program as required by this section. The evaluation required
6 by this section shall be conducted only if nonstate resources are
7 available for this purpose.

8 (c) Pursuant to Section 10231.5 of the Government Code, this
9 section is repealed on January 1, 2016.

Contra Costa County Legislation Tracking Report

CA AB 147	<p>AUTHOR: Dickinson [D] TITLE: Subdivisions FISCAL COMMITTEE: no URGENCY CLAUSE: no DISPOSITION: Pending COMMITTEE: Assembly Local Government Committee HEARING: 04/06/2011 1:30 pm CODE SECTION:</p> <p>An act to amend Section 66484 of the Government Code, relating to subdivisions. SUMMARY: Amends the Subdivision Map Act which authorizes a local agency to require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing bridges or major thoroughfares. Authorizes the fee to additionally be used for defraying the actual or estimated cost of other transportation facilities. DIGEST:</p> <p>AB 147, as introduced, Dickinson. Subdivisions. The Subdivision Map Act authorizes a local agency to require the payment of a fee as a condition of approval of a final map or as a condition of issuing a building permit for purposes of defraying the actual or estimated cost of constructing bridges or major thoroughfares if specified conditions are met. This bill would authorize the fee to additionally be used for defraying the actual or estimated cost of other transportation facilities, as described. Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no. STATUS: 01/14/2011 INTRODUCED. 02/03/2011 To ASSEMBLY Committee on LOCAL GOVERNMENT. NOTES: Our legislative initiative</p>
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CA AB 153	<p>AUTHOR: Skinner [D] TITLE: Board of Equalization: Administration Retailer FISCAL COMMITTEE: yes URGENCY CLAUSE: no DISPOSITION: Pending LOCATION: Assembly Revenue and Taxation Committee CODE SECTION:</p>
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An act to amend Section 6203 of the Revenue and Taxation Code, relating to taxation.

SUMMARY:

Amends the Sale and Use Tax Law. Includes in the definition of a retailer engaged in business in the state any retailer entering into agreements under which a person in the state, for a commission or other consideration, refers potential purchasers, whether by an Internet-based link or an Internet Web site, to the retailer, provided the total cumulative sales price from all sales by the retailer to purchasers in the state that are referred is in excess of a specified

amount.

DIGEST:

AB 153, as introduced, Skinner. State Board of Equalization: administration: retailer engaged in business in this state.

The Sales and Use Tax Law imposes a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state, measured by sales price. That law defines a "retailer engaged in business in this state" to include retailers that engage in specified activities in this state and requires every retailer engaged in business in this state and making sales of tangible personal property for storage, use, or other consumption in this state to register with the State Board of Equalization and to collect the tax from the purchaser and remit it to the board.

This bill would include in the definition of a retailer engaged in business in this state any retailer entering into agreements under which a person in this state, for a commission or other consideration, directly or indirectly refers potential purchasers, whether by an Internet-based link or an Internet Web site, or otherwise, to the retailer, provided the total cumulative sales price from all sales by the retailer to purchasers in this state that are referred pursuant to these agreements is in excess of \$10,000 within the preceding 12 months, except as specified. This bill would further provide that a retailer entering specified agreements to purchase advertising is not a retailer engaged in business in this state.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

01/18/2011 INTRODUCED.
02/03/2011 To ASSEMBLY Committee on REVENUE AND TAXATION.
03/07/2011 In ASSEMBLY Committee on REVENUE AND TAXATION: To Suspense File.

CA AB 329

AUTHOR: Dickinson [D]
TITLE: County Employees' Retirement
FISCAL COMMITTEE: no
URGENCY CLAUSE: yes
DISPOSITION: Pending
COMMITTEE: Assembly Public Employees, Retirement and Social Security Committee
HEARING: 03/30/2011 9:00 am
CODE SECTION:

An act to add Section 31485.18 to the Government Code, relating to county employees' retirement, and declaring the urgency thereof, to take effect immediately.

SUMMARY:

Authorizes the board of supervisors of the County of Sacramento, as part of a negotiated memorandum of understanding with a bargaining unit that represents safety members, to require safety employees of that bargaining unit and unrepresented safety employees to receive a specified pension calculation.

DIGEST:

AB 329, as introduced, Dickinson. County employees' retirement.

Under existing law, counties and districts may provide retirement benefits to their employees pursuant to the County Employees Retirement Law of 1937 (CERL). CERL specifies the minimum ages and years of service that are required in order to become eligible for retirement. That law generally permits the board of supervisors of a county or the governing board of a district, by resolution adopted by majority vote and pursuant to a memorandum of understanding, as specified, to make certain formulas for the calculation of benefits for its members based on their classification.

This bill would authorize the board of supervisors of the County of Sacramento, by resolution, adopted by majority vote, as part of a negotiated memorandum of understanding with a bargaining unit that represents safety members, to require safety employees of that bargaining unit and unrepresented safety employees, first hired after approval of the resolution, to receive a specified pension calculation that applies to safety members and that computes final compensation based upon the average annual compensation earnable during a specified 3-year period.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/10/2011 INTRODUCED.

02/24/2011 To ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY.

CA AB 674

AUTHOR: Bonilla [D]
TITLE: Vehicles: Registration Fees
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Transportation Committee
CODE SECTION:

An act to amend Section 9250.19 of the Vehicle Code, relating to vehicles, and making an appropriation therefor.

SUMMARY:

Extends the authorization for programs that enhance the capacity of local law enforcement to provide fingerprint identification of individuals who may be involved in driving under the influence of alcohol or drugs, vehicular manslaughter, other vehicle-related crimes, and other crimes committed while operating a motor vehicle.

DIGEST:

AB 674, as introduced, Bonilla. Vehicles: registration fees. Existing law authorizes, until January 1, 2012, the imposition of a \$1 fee, upon adoption of a resolution by a county board of supervisors, in addition to other specified vehicle registration fees, on certain vehicles. Existing law also imposes, until January 1, 2012, in addition to that fee, a \$2 service fee on all commercial vehicles, upon implementation of the permanent trailer identification plate program. Existing law provides that the money generated by these fees and paid to the Controller is continuously appropriated, without regard to fiscal years, for disbursement by the Controller to each county that has adopted a resolution as described above, and that the money so disbursed may only be used for programs that enhance the capacity of local law

enforcement to provide fingerprint identification of individuals who may be involved in driving under the influence of alcohol or drugs, vehicular manslaughter, other vehicle-related crimes, and other crimes committed while operating a motor vehicle.

This bill would extend that authorization indefinitely. By extending a law providing for disbursements from a continuously appropriated fund, this bill would make an appropriation.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/17/2011 INTRODUCED.

03/03/2011 To ASSEMBLY Committee on TRANSPORTATION.

NOTES:

AM Bonilla requested support. Sheriff's Office recommends. Will send to BOS.

CA AB 720

AUTHOR:

Hall [D]

TITLE:

Public Contracts: Construction Cost Accounting

FISCAL COMMITTEE:

no

URGENCY CLAUSE:

no

DISPOSITION:

Pending

LOCATION:

Assembly Local Government Committee

CODE SECTION:

An act to amend Section 22032 of, and to repeal Section 22031 of, the Public Contract Code, relating to public contracts.

SUMMARY:

Repeals a provision in existing law that specifies that a board of supervisors or a county road commissioner is not prohibited from using alternative procedures governing county highway contracts. Amends existing law which authorizes public projects with a specified monetary threshold to be performed by the employees of the public agency by force account, negotiated contract, or purchase order. Increases that authorization.

DIGEST:

AB 720, as introduced, Hall. Public contracts: uniform construction cost accounting provisions: alternative procedures.

Existing law establishes procedures for local public agencies to follow when engaged in public works projects, and authorizes agencies to elect to become subject to uniform construction cost accounting provisions. Existing law specifies that a board of supervisors or a county road commissioner is not prohibited by those provisions from utilizing, as an alternative, other procedures governing county highway contracts.

This bill would repeal the above provision that specifies that a board of supervisors or a county road commissioner is not prohibited from using alternative procedures governing county highway contracts.

Existing law authorizes public projects of \$30,000 or less to be performed by the employees of the public agency by force account, negotiated contract, or purchase order.

This bill would increase that authorization to \$45,000.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/17/2011 INTRODUCED.

03/07/2011 To ASSEMBLY Committee on LOCAL GOVERNMENT.

CA AB 792

AUTHOR: Bonilla [D]
TITLE: Health Care Coverage: Health Benefit Exchange
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Health Committee
CODE SECTION:

An act to add Sections 2024.7 and 8613.7 to the Family Code, to add Sections 1366.50 and 1366.51 to the Health and Safety Code, to add Sections 10786 and 10787 to the Insurance Code, to amend Section 2800.2 of the Labor Code, and to add Sections 1342.5 and 2706.5 to the Unemployment Insurance Code, relating to health care coverage.

SUMMARY:

Requires the disclosure of information on health care coverage through the Health Benefit Exchange by health care service plans, health insurers, the Employment Development Department, upon an initial claim for disability benefits, or by the court, upon the filing of a petition for dissolution of marriage, nullity of marriage, legal separation, or adoption. Requires specified health care service plans and insurers to, upon a renewal in coverage of an enrollee or insured, provide information to the Exchange.

DIGEST:

AB 792, as introduced, Bonilla. Health care coverage: California Health Benefit Exchange.

Existing law, the federal Patient Protection and Affordable Care Act, requires each state to, by January 1, 2014, establish an American Health Benefit Exchange that makes available qualified health plans to qualified individuals and employers. Existing state law establishes the California Health Benefit Exchange within state government, specifies the powers and duties of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and requires the board to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January 1, 2014.

Existing law, the Knox-Keene Health Care Service Plan Act of 1975, provides for the regulation of health care service plans by the Department of Managed Health Care and makes a willful violation of the act a crime. Existing law provides for the regulation of health insurers by the Department of Insurance. Existing law imposes specified requirements on health care service plans and health insurers that provide medical and hospital coverage under an employer-sponsored group plan for an employer subject to COBRA or Cal-COBRA, as defined. Existing law regulates the distribution of unemployment compensation or disability benefits by the Employment Development Department. Existing law, under the Family Code, sets forth procedures related to a petition for dissolution of marriage, nullity of marriage, or legal separation, or a petition for adoption.

This bill would require the disclosure of information on health care coverage through the California Health Benefit Exchange, under specified circumstances, by health care service plans, health insurers, the Employment Development Department, upon an initial claim for disability benefits, or by the court, upon the filing of a petition for dissolution of marriage, nullity of marriage, legal separation, or adoption. On and after January 1, 2014, the bill would also

require specified health care service plans and health insurers to, upon a renewal in coverage of an enrollee or insured, as specified, or with regard to COBRA or Cal-COBRA coverage under an employer-sponsored group plan, and the Employment Development Department with regard to an applicant for unemployment compensation, provide specified information to the California Health Benefit Exchange for purposes of enrolling those enrollees, insureds, or applicants in the Exchange. The bill would allow an individual to opt out of that coverage in writing to the Exchange.

Because a willful violation of the bill's provisions relative to health care service plans would be a crime, the bill would impose a state-mandated local program. The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

STATUS:

02/17/2011 INTRODUCED.

03/10/2011 To ASSEMBLY Committees on HEALTH and JUDICIARY.

NOTES:

AM Bonilla requested support. Sent to HRD.

CA AB 931

AUTHOR:

Dickinson [D]

TITLE:

Environment: CEQA Exemption

FISCAL COMMITTEE:

yes

URGENCY CLAUSE:

no

DISPOSITION:

Pending

LOCATION:

Assembly Natural Resources Committee

CODE SECTION:

An act to amend Section 21159.24 of the Public Resources Code, relating to the environment.

SUMMARY:

Amends existing law, the California Environmental Quality Act, that exempts infill housing projects meeting a community level environmental review that was adopted or certified within a certain number of years. Extends the time period. Redefines residential projects for purposes of CEQA.

DIGEST:

AB 931, as introduced, Dickinson. Environment: CEQA exemption: housing projects.

(1) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report (EIR) on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts infill housing projects meeting certain specified criteria, including, among other things, a community-level environmental review that was adopted or certified within 5 years of the date that the application for the project is deemed complete and that the project promotes higher density infill

housing. CEQA conclusively presumes that a project with a density of at least 20 units per acre promotes higher density infill housing.

This bill would extend the above time period to 20 years. The bill would lower the density to at least 15 units per acre for the above presumption to apply.

(2) For the purposes of the above exemption, CEQA defines "residential projects" to mean, among other things, a use consisting of residential units and primarily neighborhood-serving goods, services, or retail uses that do not exceed 15% of the total floor area of the project

This bill would increase the total floor area of the project used for neighborhood-serving goods, services, or retail uses that does not exceed 35% of the project.

(3) Because this bill would require a lead agency to determine whether a housing project meets the above criteria to qualify for an exemption from CEQA, the bill would impose a state-mandated local program.

(4) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

STATUS:

02/18/2011

INTRODUCED.

03/10/2011

To ASSEMBLY Committees on NATURAL RESOURCES and HOUSING AND COMMUNITY DEVELOPMENT.

NOTES:

Our CEQA exemption bill

CA AB 1296

AUTHOR:

Bonilla [D]

TITLE:

Health Care Eligibility, Enrollment, And Retention Act

FISCAL COMMITTEE:

yes

URGENCY CLAUSE:

no

DISPOSITION:

Pending

LOCATION:

ASSEMBLY

CODE SECTION:

An act to add Part 3.8 (commencing with Section 15925) to Division 9 of the Welfare and Institutions Code, relating to public health.

SUMMARY:

Enacts the Health Care Eligibility, Enrollment, and Retention Act. Requires the Health and Human Services Agency to establish a standardized single application form and related renewal procedures for Medi-Cal, the Healthy Families Program, the Exchange, and county programs. Specifies the duties of the agency and the State Department of Health Care Services under the act.

DIGEST:

AB 1296, as introduced, Bonilla. Health Care Eligibility, Enrollment, and Retention Act.

Existing law provides for various programs to provide health care coverage to persons with limited financial resources, including the Medi-Cal program and the Healthy Families Program. Existing law provides for the licensure and regulation of health care service plans by the Department of Managed Health Care.

Existing law, the federal Patient Protection and Affordable Care Act (PPACA), requires each state to, by January 1, 2014, establish an American Health Benefit Exchange that facilitates the purchase of qualified health plans by

qualified individuals and qualified small employers, as specified, and meets certain other requirements. Existing law, the California Patient Protection and Affordable Care Act, creates the California Health Benefit Exchange (Exchange), specifies the powers and duties of the board governing the Exchange relative to determining eligibility for enrollment in the Exchange and arranging for coverage under qualified health plans, and requires the board to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and qualified small employers by January 1, 2014.

This bill would enact the Health Care Eligibility, Enrollment, and Retention Act, which would require the California Health and Human Services Agency, in consultation with specified entities, to establish a standardized single application form and related renewal procedures for Medi-Cal, the Healthy Families Program, the Exchange, and county programs, in accordance with specified requirements. The bill would specify the duties of the agency and the State Department of Health Care Services under the act, and would require the agency to report to the Legislature by January 1, 2012, regarding policy changes needed to implement the bill, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/18/2011

INTRODUCED.

NOTES:

AM Bonilla requested our support. Sent to EHSD

CA SB 106

AUTHOR:

Blakeslee [R]

TITLE:

Special Elections

FISCAL COMMITTEE:

yes

URGENCY CLAUSE:

yes

DISPOSITION:

Pending

LOCATION:

Senate Appropriations Committee

CODE SECTION:

An act to amend Section 13001 of the Elections Code, relating to special elections, and declaring the urgency thereof, to take effect immediately.

SUMMARY:

Provides that expenses authorized and necessarily incurred on or after January 1, 2009, and before April 19, 2011, for elections proclaimed by the Governor to fill a vacancy in the office of Senator or Member of the Assembly, or to fill a vacancy of Congressional members, shall be paid by the state.

DIGEST:

SB 106, as introduced, Blakeslee. Special elections.

Existing law provides that expenses authorized and necessarily incurred in the preparation for and conduct of elections are to be paid from the county treasuries, except as specified.

This bill would provide that expenses authorized and necessarily incurred on or after January 1, 2009, and before April 19, 2011, for elections proclaimed by the Governor to fill a vacancy in the office of Senator or Member of the Assembly, or to fill a vacancy in the office of United States Senator or Member of the United States House of Representatives, shall be paid by the state.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: 2/3. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

01/13/2011	INTRODUCED.
02/10/2011	To SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS.
03/15/2011	From SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS: Do pass to Committee on APPROPRIATIONS.
NOTES:	Sent support letter 3-3-11

CA SB 141	AUTHOR:	Price [D]
	COAUTHOR(S):	Davis [D]
	TITLE:	Elections: Payment of Expenses
	FISCAL COMMITTEE:	yes
	URGENCY CLAUSE:	no
	DISPOSITION:	Pending
	LOCATION:	Senate Second Reading File
	CODE SECTION:	
	<p>An act to amend Section 13001 of the Elections Code, relating to elections.</p> <p>SUMMARY:</p> <p>Provides that expenses authorized and necessarily incurred for elections proclaimed by the Governor to fill a vacancy in the office of State Senator or Assembly Member, or to fill a vacancy in the office of United States Senator or Representative in the Congress, are to be paid by the state. Provides that the state shall pay only those additional expenses directly related to the election proclaimed by the Governor when combined with a local election.</p> <p>DIGEST:</p> <p>SB 141, as introduced, Price. Elections: payment of expenses. Existing law requires that all expenses authorized and necessarily incurred in the preparation for, and conduct of, elections be paid from the county treasuries, except when an election is called by the governing body of a city. This bill would provide that expenses authorized and necessarily incurred for elections proclaimed by the Governor to fill a vacancy in the office of State Senator or Assembly Member, or to fill a vacancy in the office of United States Senator or Representative in the Congress, are to be paid by the state. When an election proclaimed by the Governor is consolidated with a local election, the bill would provide that the state shall pay only those additional expenses directly related to the election proclaimed by the Governor. Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.</p> <p>STATUS:</p>	
	01/31/2011	INTRODUCED.
	02/10/2011	To SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS.
	03/15/2011	From SENATE Committee on ELECTIONS AND CONSTITUTIONAL AMENDMENTS: Do pass as amended to Committee on APPROPRIATIONS.
NOTES:	Steve Weir recommends we support. Will send support letter.	

CA SB 262	AUTHOR:	De Leon [D]
	TITLE:	Individual Retirement Accounts
	FISCAL COMMITTEE:	no
	URGENCY CLAUSE:	no

DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act relating to individual retirement accounts.

SUMMARY:

Makes findings and declarations of the Legislature that conclude that the state should create an additional retirement savings program for its workers to supplement existing savings options.

DIGEST:

SB 262, as introduced, De Leon. Individual retirement accounts.

Existing federal law provides for tax-qualified retirement plans and individual retirement accounts or individual retirement annuities by which private citizens may save money for retirement.

This bill would make findings and declarations of the Legislature that conclude that the state should create an additional retirement savings program for its workers to supplement existing savings options.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/10/2011 INTRODUCED.

02/24/2011 To SENATE Committee on RULES.

CA SB 304

AUTHOR: Kehoe [D]
TITLE: Elections: All-Mailed Ballot Elections: San Diego
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Elections and Constitutional Amendments Committee
CODE SECTION:

An act to add and repeal Section 4001 of the Elections Code, relating to elections.

SUMMARY:

Authorize elections in San Diego County to be conducted wholly by mail until January 1, 2016, if specified conditions are satisfied. Provides that San Diego County conducts an all-mailed ballot election. Provides that the county would be required to report to the Legislature and to the Secretary of State regarding the success of the election.

DIGEST:

SB 304, as introduced, Kehoe. Elections: all-mailed ballot elections: San Diego County.

Existing law authorizes a local, special, or consolidated election to be conducted as an all-mailed ballot election, so long as specified conditions are satisfied.

This bill would authorize elections in San Diego County to be conducted wholly by mail until January 1, 2016, if specified conditions are satisfied. If San Diego County conducts an all-mailed ballot election, the bill would require the county, on or before December 31, 2016, to report to the Legislature and to the Secretary of State regarding the success of the election, as specified.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/14/2011 INTRODUCED.
02/24/2011 To SENATE Committee on ELECTIONS AND
CONSTITUTIONAL AMENDMENTS.

NOTES: **Steve Weir recommends support**

CA SB 373

AUTHOR: DeSaulnier [D]
TITLE: Retirement: Contra Costa County
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Public Employment and Retirement Committee
CODE SECTION:

An act to amend Section 31484.9 of the Government Code, relating to county employee's retirement.

SUMMARY:

Extends the termination of an existing law that authorizes the Contra Costa County Board of Supervisors to establish different retirement benefits for different bargaining units of safety employees represented by the Contra Costa County Deputy Sheriffs' Association.

DIGEST:

SB 373, as introduced, DeSaulnier. Retirement: Contra Costa County. Existing law, until January 1, 2012, authorizes the Contra Costa County Board of Supervisors to establish different retirement benefits for different bargaining units of safety employees represented by the Contra Costa County Deputy Sheriffs' Association, and the unrepresented groups of safety employees in similar job classifications and the supervisors and managers of those employees, as specified, pursuant to a resolution making those provisions applicable to that county.

This bill would delete the January 1, 2012, date thereby extending that authorization indefinitely.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/15/2011 INTRODUCED.
02/24/2011 To SENATE Committee on PUBLIC EMPLOYMENT AND
RETIREMENT.

NOTES: **Our sponsored bill**

CA SB 394

AUTHOR: DeSaulnier [D]
TITLE: Healthy Schools Act of 2011
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
COMMITTEE: Senate Education Committee
HEARING: 03/23/2011 9:00 am
CODE SECTION:

An act to add Sections 17610.2, 17610.3, and 17610.4 to the Education Code, and to amend Section 13185 of the Food and Agricultural Code, relating to the Healthy Schools Act of 2011.

SUMMARY:

Enacts the Healthy Schools Act of 2011. Provides that only self-contained baits,

gels, and pastes deployed as crack and crevice treatments and spot treatments may be used on schoolsites. Prohibits use of a pesticide on a schoolsite if that pesticide contains an ingredient known to the state to cause cancer or reproductive toxicity or any one of specified cholinesterase-inhibiting pesticides. Requires schoolsites to send at least one person to training sessions at least once every 2 years.

DIGEST:

SB 394, as introduced, DeSaulnier. Healthy Schools Act of 2011. Existing law, the Healthy Schools Act of 2000, requires that the preferred method of managing pests at schoolsites, as defined, is to use effective, least-toxic pest management practices and requires schoolsites to maintain records of all pesticides used at the schoolsite for a period of 4 years. Existing law requires schools to provide all staff and parents or guardians of pupils enrolled at a school written notification of, among other things, expected pesticide use at that schoolsite. These provisions also require the Department of Pesticide Regulation to establish an integrated pest management training program in order to facilitate the adoption of a model Integrated Pest Management program and least-hazardous pest control practices by schoolsites. This bill would enact the Healthy Schools Act of 2011. The bill would provide that only self-contained baits, gels, and pastes deployed as crack and crevice treatments and spot treatments may be used on schoolsites. The bill would prohibit use of a pesticide on a schoolsite if that pesticide contains an ingredient known to the state to cause cancer or reproductive toxicity, as specified, or any one of specified cholinesterase-inhibiting pesticides. The bill would prohibit, on and after January 1, 2014, the use of a pesticide on a schoolsite if that product contains certain toxic or dangerous ingredients, as described, including any cholinesterase-inhibiting active ingredient, as identified by the Department of Pesticide Regulation, an active ingredient that is a groundwater or toxic air contaminant, as specified, or a fumigant, as identified by the Department of Pesticide Regulation.

The bill would also require all schoolsites, as defined and except as specified, to send at least one person to one of the department trainings at least once every 2 years. Because this provision would impose additional duties on local public employees, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

STATUS:

02/16/2011

INTRODUCED.

02/24/2011

To SENATE Committees on EDUCATION and ENVIRONMENTAL QUALITY.

NOTES:

Refer to Leg Com

CA SB 429

AUTHOR:

DeSaulnier [D]

TITLE:

Education: Community Learning Centers: Funding

FISCAL COMMITTEE:

no

URGENCY CLAUSE:

no

DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act to amend Section 8484.8 of the Education Code, relating to community learning centers.

SUMMARY:

Makes technical, nonsubstantive changes to existing law which provides that specified funds are available for carrying out programs related to the 21st Century Community Learning Centers programs.

DIGEST:

SB 429, as introduced, DeSaulnier. Education: community learning centers: funding.

Existing law provides that specified funds are available for carrying out programs related to the 21st Century Community Learning Centers programs, as specified.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/16/2011 INTRODUCED.

02/24/2011 To SENATE Committee on RULES.

NOTES:

Supervisor Gioia recommends support.

CA SB 520

AUTHOR: Walters [R]
TITLE: Public Employees' Retirement
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act relating to public employees' retirement.

SUMMARY:

Declares the intent of the Legislature to enact legislation to reform California's unsustainable pension system by incorporating a defined-contribution program into California's system.

DIGEST:

SB 520, as introduced, Walters. Public employees' retirement.

The State Teachers' Retirement System, the Public Employees' Retirement System, and the Judges' Retirement System and the Judges Retirement System II provide pension benefits based in part upon credited service. Under existing law, counties and districts, as defined, may provide retirement benefits to their employees pursuant to the County Employees Retirement Law of 1937.

This bill would declare the intent of the Legislature to enact legislation to reform California's unsustainable pension system by incorporating a defined-contribution program into California's system. The bill would also make related findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/17/2011 INTRODUCED.

03/03/2011

To SENATE Committee on RULES.

CA SB 662

AUTHOR: DeSaulnier [D]
TITLE: Integrated Health and Human Services Program
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Health Committee
CODE SECTION:

An act to add Chapter 12.97 (commencing with Section 18986.65) to Part 6 of Division 9 of the Welfare and Institutions Code, relating to public social services.

SUMMARY:

Requires the Contra Costa County to implement a permanent program for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system, upon the approval of the county. Requires the county to evaluate the program and submit the evaluation to specified entities.

DIGEST:

SB 662, as introduced, DeSaulnier. Integrated health and human services program: Contra Costa County.

Existing law authorizes Humboldt County, Mendocino County, and Alameda County, and any additional county or counties, as determined by the Secretary of California Health and Human Services, to implement a program for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system, subject to certain limitations. Existing law separately requires Placer County, with the assistance of the appropriate state departments, to implement a pilot program in the county, upon approval by that county, for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system.

This bill would require Contra Costa County, with the assistance of the appropriate state departments, to implement a permanent program for the funding and delivery of services and benefits through an integrated and comprehensive county health and human services system, upon approval of the county, as specified. The bill would require the county to evaluate the program and submit the evaluation to the Governor and other designated recipients, no later than 6 months following the 3rd year of the implementation of the program, provided that nonstate funding is available for purposes of the evaluation, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/18/2011 INTRODUCED.

03/03/2011 To SENATE Committee on HEALTH.

NOTES: Referred to Legislation Committee

CA SB 810

AUTHOR: Leno [D]
TITLE: Single-Payer Health Care Coverage
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Health Committee

CODE SECTION:

An act to add Division 114 (commencing with Section 140000) to the Health and Safety Code, relating to health care coverage.

SUMMARY:

Establishes the State Healthcare System. Creates State Healthcare Agency. Makes all residents eligible for specified health care benefits under the System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. Creates the Healthcare Policy Board.

DIGEST:

SB 810, as introduced, Leno. Single-payer health care coverage.

Existing law does not provide a system of universal health care coverage for California residents. Existing law provides for the creation of various programs to provide health care services to persons who have limited incomes and meet various eligibility requirements. These programs include the Healthy Families Program administered by the Managed Risk Medical Insurance Board, and the Medi-Cal program administered by the State Department of Health Care Services. Existing law provides for the regulation of health care service plans by the Department of Managed Health Care and health insurers by the Department of Insurance. Existing law establishes the California Health Benefit Exchange to facilitate the purchase of qualified health plans through the Exchange by qualified individuals and small employers by January, 1, 2014.

This bill would establish the California Healthcare System to be administered by the newly created California Healthcare Agency under the control of a Healthcare Commissioner appointed by the Governor and subject to confirmation by the Senate. The bill would make all California residents eligible for specified health care benefits under the California Healthcare System, which would, on a single-payer basis, negotiate for or set fees for health care services provided through the system and pay claims for those services. The bill would require the commissioner to seek all necessary waivers, exemptions, agreements, or legislation to allow various existing federal, state, and local health care payments to be paid to the California Healthcare System, which would then assume responsibility for all benefits and services previously paid for with those funds.

The bill would create the Healthcare Policy Board to establish policy on medical issues and various other matters relating to the system. The bill would create the Office of Patient Advocacy within the agency to represent the interests of health care consumers relative to the system. The bill would create within the agency the Office of Health Planning to plan for the health care needs of the population, and the Office of Health Care Quality, headed by a chief medical officer, to support the delivery of high quality care and promote provider and patient satisfaction. The bill would create the Office of Inspector General for the California Healthcare System within the Attorney General's office, which would have various oversight powers. The bill would prohibit health care service plan contracts or health insurance policies from being issued for services covered by the California Healthcare System, subject to appropriation by the Legislature, and would authorize the collection of penalty moneys for deposit into the fund. The bill would create the Healthcare Fund and the Payments Board to administer the finances of the California Healthcare System. The bill would create the California Healthcare Premium Commission (Premium Commission) to determine the cost of the California Healthcare System and to develop a premium structure for the system that complies with specified standards. The

bill would require the Premium Commission to recommend a premium structure to the Governor and the Legislature on or before January 1, 2014, and to make a draft recommendation to the Governor, the Legislature, and the public 90 days before submitting its final premium structure recommendation. The bill would specify that only its provisions relating to the Premium Commission would become operative on January 1, 2012, with its remaining provisions becoming operative on the date the Secretary of California Health and Human Services notifies the Legislature, as specified, that sufficient funding exists to implement the California Healthcare System or the date the secretary receives the necessary federal waiver under the federal Patient Protection and Affordable Care Act, whichever is later.

The bill would extend the application of certain insurance fraud laws to providers of services and products under the system, thereby imposing a state-mandated local program by revising the definition of a crime. The bill would enact other related provisions relative to budgeting, regional entities, federal preemption, subrogation, collective bargaining agreements, compensation of health care providers, conflict of interest, patient grievances, and independent medical review.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

STATUS:

02/18/2011 INTRODUCED.

03/10/2011 To SENATE Committees on HEALTH and RULES.

CA SB 930

AUTHOR: Evans [D]
COAUTHOR(S): Yamada [D], Beall [D]
TITLE: In-Home Supportive Services
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Human Services Committee
CODE SECTION:

An act to amend Section 12301.25 of, and to repeal Sections 12305.73 and 12305.85 of, the Welfare and Institutions Code, relating to public social services.

SUMMARY:

Relates to the county administered In-Home Supportive Services enrollment form. Deletes requirements pertaining to obtaining fingerprint images of IHSS recipients, and the requirement that the provider timesheet include spaces for provider and recipient fingerprints. Deletes requirements and prohibitions relating to the use of a post office box address by an IHSS provider.

DIGEST:

SB 930, as introduced, Evans. In-home supportive services: enrollment and fingerprinting requirements.
 Existing law provides for the county-administered In-Home Supportive Services (IHSS) program, under which qualified aged, blind, and disabled persons are provided with services in order to permit them to remain in their own homes

and avoid institutionalization. Existing law authorizes services to be provided under the IHSS program either through the employment of individual providers, a contract between the county and an entity for the provision of services, the creation by the county of a public authority, or a contract between the county and a nonprofit consortium.

Existing law provides for the Medi-Cal program, administered by the State Department of Health Care Services, under which health care services are provided to qualified low-income persons. Under existing law, IHSS recipients who are eligible for the Medi-Cal program, are provided with personal care option services, as defined, in lieu of receiving these services under the IHSS program.

Under existing law, the State Department of Social Services, in consultation with the county welfare departments, is required to develop protocols and procedures for obtaining fingerprint images of all individuals who are being assessed or reassessed to receive supportive services, as specified. Existing law also requires the standardized time provider timesheet used to track the work performed by providers of in-home supportive services to contain specified information, including, effective July 1, 2011, designated spaces for the index fingerprints of the provider and recipient.

This bill would delete the requirements pertaining to obtaining fingerprint images of IHSS recipients, and the requirement that the provider timesheet include spaces for provider and recipient fingerprints.

Existing law requires an IHSS provider enrollment form to be completed using the provider's physical residence address, and prohibits the use of a post office box address. Existing law also prohibits a county from mailing a provider's paycheck to a post office box address, unless the county approves a provider request to do so, as specified.

This bill would delete the requirements and prohibitions relating to the use of a post office box address by an IHSS provider.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/18/2011

INTRODUCED.

03/10/2011

To SENATE Committee on HUMAN SERVICES.

NOTES:

Joe Valentine recommends support

Pension2011

CA AB 17

AUTHOR: **Davis** [D]
TITLE: Retirement: Pension Fund Management
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Public Employees, Retirement and Social Security Committee
CODE SECTION:

An act to add Section 22204.5 to the Education Code, and to add Section 20139 to the Government Code, relating to retirement.

SUMMARY:

Requires the Board of Administration of the Public Employees' Retirement System and the Teachers' Retirement Board to submit a report annually to the Legislature on the ethnicity and gender of the investment managers who participate in managing their portfolios of external fund management contracts. Requires these boards to report on the ethnicity and gender of the brokerage firms that provide brokerage services.

STATUS:

12/06/2010 INTRODUCED.
01/24/2011 To ASSEMBLY Committee on PUBLIC EMPLOYEES,
RETIREMENT AND SOCIAL SECURITY.

CA AB 89

AUTHOR: **Hill** [D]
TITLE: Retirement: Public Employees
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Public Employees, Retirement and Social Security Committee
CODE SECTION:

An act to add Section 7503.5 to the Government Code, relating to retirement.

SUMMARY:

Specifies that, for the purposes of determining a retirement benefit paid to a person who first becomes a member of a public retirement system on or after a specified date, the maximum salary, compensation, or payrate upon which retirement benefits shall be based shall not exceed an amount set forth in a specified provision of the Internal Revenue Code.

DIGEST:

AB 89, as introduced, Hill. Retirement: public employees.
The Public Employees' Retirement Law creates the Public Employees' Retirement System, which provides a defined benefit to its members based on age at retirement, service credit, and final compensation, as defined. The State Teachers' Retirement Law and the retirement laws for county employees and city employees also provide for a defined benefit based on age at retirement, service credit, and final compensation.

This bill would specify that, notwithstanding any other law, for the purposes of determining a retirement benefit paid to a person who first becomes a member of a public retirement system on or after January 1, 2012, the maximum salary, compensation, or payrate upon which retirement benefits shall be based shall not exceed an amount set forth in a specified provision of the Internal Revenue Code. Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

01/06/2011 INTRODUCED.
01/27/2011 To ASSEMBLY Committee on PUBLIC EMPLOYEES,
RETIREMENT AND SOCIAL SECURITY.

CA AB 340

AUTHOR: Furutani [D]
COAUTHOR(S): Ma [D]
TITLE: County Employees' Retirement: Postretirement Service
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Public Employees, Retirement and Social Security Committee

CODE SECTION:

An act to [D] ~~add Section 31680.9 to~~ </D> [A] amend Section 31461 of, and to add Sections 31540, 31540.2, 31541, 31569, and 31680.9 to, <A> the Government Code, relating to county employees' retirement.

SUMMARY:

Amends the County Employees Retirement Law of 1937 (CERL). Prohibits specified payments from being considered as compensation earned for retirement purposes to include compensation to was paid to enhancement retirement benefits. Relates to the reporting of compensation to the local retirement board. Authorizes audits. Requires the county to pay related costs when an employer does not enroll an employee in a retirement plan within a specified time period. Relates to reinstatement upon reemployment.

DIGEST:

AB 340, as amended, Furutani. County employees' retirement: postretirement service.

(1) The County Employees Retirement Law of 1937 (CERL) authorizes counties and districts, as defined, to provide a system of retirement benefits to their employees. CERL defines compensation earnable for the purpose of calculating benefits as the average compensation for the period under consideration with respect to the average number of days ordinarily worked by persons in the same grade or class of positions during the period, and at the same rate of pay, as determined by the retirement board.

This bill would prohibit a variety of payments including bonus payments, housing allowances, severance pay, vehicle allowances, and payments for unused vacation, sick leave, or compensatory time off, exceeding what may be earned and payable in a 12-month period, from being included in compensation earnable. The bill would prohibit any compensation determined by the board to have been paid for the purpose of enhancing a member's retirement benefit from being included in compensation earnable. The bill would except from this prohibition compensation that a member was entitled to receive pursuant to a collective

bargaining agreement that was subsequently deferred or otherwise modified as a result of a negotiated amendment of that agreement. The bill would permit a member or employer to present evidence that compensation was not paid for the purpose of enhancing a member's benefit and would permit the board to revise its determination upon receipt of sufficient evidence to that effect.

The bill would also require a county or district, when reporting compensation to a retirement board, to identify the pay period in which the compensation was earned regardless of when it was reported or paid. The bill would authorize the board to assess a county or district a reasonable amount to cover the cost of audit, adjustment, or correction, if it determines that a county or district knowingly failed to comply with these requirements, as specified. The bill would authorize a retirement board to audit a county or district and to require a county or district to provide information, or make information available for examination or copying at a specified time and place, to determine the correctness of retirement benefits, reportable compensation, and enrollment in, and reinstatement to, the system.

(2) CERL generally provides that each person entering employment becomes a member of a retirement system on the first day of the calendar month after his or her entrance into service, unless otherwise provided by regulations adopted by the board. CERL permits people in certain employment classifications the option to elect membership in the retirement system, including elective officers, and prohibits membership for persons providing temporary technical or professional services under contract.

This bill would require a county or district that fails to enroll an employee into membership within 90 days of when he or she becomes eligible, when the employer knows or should have known that the person was eligible, to pay all costs in arrears for member contributions and administrative costs of \$500 per member.

(3) CERL permits members of a county retirement system who have retired to be reemployed without reinstatement into the system in certain circumstances including in a position requiring special skills or knowledge.

This bill, on and after January 1, 2012, would prohibit a person who has been retired for service from a CERL retirement system from being reemployed in any capacity without reinstatement into the system by a district or county operating a county retirement system established under this CERL unless at least 180 days have elapsed since the person's date of retirement, except as specified. The bill would prohibit a person whose employment without reinstatement is authorized under CERL from receiving service credit for that employment. The bill would require that a retired member employed in violation of provisions regarding employment without reinstatement to reimburse the retirement system for any retirement allowance received during that period and pay for administrative expenses incurred in responding to the violation. The bill would also require the county or district to reimburse the retirement system in this regard in specified circumstances.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/10/2011	INTRODUCED.
02/24/2011	To ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY.
02/24/2011	From ASSEMBLY Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY with author's amendments.
02/24/2011	In ASSEMBLY. Read second time and amended. Re-referred

to Committee on PUBLIC EMPLOYEES, RETIREMENT AND SOCIAL SECURITY.

NOTES: County retirement system reform bill

CA AB 738

AUTHOR: Hagman [R]
TITLE: Public Employees' Retirement: Elected Officials
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Assembly Public Employees, Retirement and Social Security Committee
CODE SECTION:

An act to add Sections 22119.6 and 22603 to the Education Code, and to amend Sections 9355.4, 9355.41, 20322, 31553, and 31641 of, and to add Sections 7514.51, 9355.42, 20302, 20890.5, 31553.5, 31641.5, 45310.2, and 50805.5 to, the Government Code, relating to public employees' retirement.

SUMMARY:

Prohibits a person who is publicly elected to an office of any kind on and after January 1, 2012, from becoming a member of a retirement system by virtue of that service or acquiring any retirement right or benefit for serving in that elective office. Applies these prohibitions to a person who is appointed to fill the term of a person so elected.

DIGEST:

AB 738, as introduced, Hagman. Public employees' retirement: elected officials. Existing law authorizes the creation of retirement systems for public employees by counties, cities, and districts. Existing law creates the Public Employees' Retirement System and the State Teachers Retirement System, which provide a defined benefit to their members based on age at retirement, service credit, and final compensation. Existing law establishes the criteria for membership in the various public employee retirement systems and may exclude certain employment classifications from membership. Existing law prohibits Members of the Legislature elected on or after November 1, 1990, from accruing any retirement or pension benefit, provided that other elective officers provided for by the California Constitution may elect to become members of Legislators' Retirement System. The California Constitution provides for the division of the state into counties and requires that a county have an elected sheriff, elected district attorney, elected assessor, and elected governing body. Existing law provides for the incorporation of cities in various forms and requires that certain city offices be filled pursuant to elections, as prescribed. Existing law provides for the creation of districts, the governing bodies of which may be elected.

This bill would prohibit a person who is publicly elected to an office of any kind, on and after January 1, 2012, from becoming a member of a retirement system by virtue of that service or acquiring any retirement right or benefit for serving in that elective office. The bill would also apply these prohibitions to a person who is appointed to fill the term of a person so elected. The bill would except from this prohibition a person who obtained membership by virtue of holding an elective public office prior to January 1, 2012, and remains in that office or is reelected to it.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:
02/17/2011 INTRODUCED.
03/07/2011 To ASSEMBLY Committee on PUBLIC EMPLOYEES,
RETIREMENT AND SOCIAL SECURITY.

CA AB 961

AUTHOR: Mansoor [R]
TITLE: Retirement: Reform
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: ASSEMBLY
CODE SECTION:

An act relating to retirement.

SUMMARY:

Declares the intent of the Legislature to enact legislation that would reform public retirement systems.

DIGEST:

AB 961, as introduced, Mansoor. Retirement: reform.

The State Teachers' Retirement System, the Public Employees' Retirement System, and the Judges' Retirement System and the Judges Retirement System II provide pension benefits based in part upon credited service. Under existing law, counties and districts, as defined, may provide retirement benefits to their employees pursuant to the County Employees Retirement Law of 1937.

This bill would declare the intent of the Legislature to enact legislation that would reform public retirement systems.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/18/2011 INTRODUCED.

CA AB 1320

AUTHOR: Allen [D]
TITLE: Public Employees' Retirement
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: ASSEMBLY
CODE SECTION:

An act to amend Sections 20814 and 20816 of, and to add Sections 20814.5 and 31453.7 to, the Government Code, relating to public employees' retirement.

SUMMARY:

Establishes in the retirement fund for each public employer a Taxpayer Adverse Risk Prevention Account. Provides that the account would be an employer asset, but would not be counted as an asset for the purpose of determining the employer's contribution rate. Deposits into the account would be made with all or a portion of employer contributions when the actuarial value of assets exceeds the present value of benefits. Provides the circumstances under which assets in the account would be drawn upon.

DIGEST:

AB 1320, as introduced, Allen. Public employees' retirement: employer contribution rates.

(1) The Public Employees' Retirement Law prescribes employer contribution rates to the retirement fund for the Public Employees' Retirement System. Existing law requires that the state's contribution rate be adjusted in the Budget Act based on rates established by the system's actuary. Existing law provides that the employer contribution rate for an employer other than the state shall be determined on an annual basis by the actuary, as specified. Existing law requires that the rate at which a public employer contributes to the system shall be based upon its experience, and not the experience of public agency employers generally. Existing law requires that all assets of an employer in the system be used to determine the employer's contribution rate.

This bill would establish in the retirement fund for each employer a Taxpayer Adverse Risk Prevention Account. The account would be an employer asset, but would not be counted as an asset for the purpose of determining the employer's contribution rate. Deposits into the account would be made with all or a portion of employer contributions when the actuarial value of assets exceeds the present value of benefits, as specified. The bill would provide that the assets of the account would be drawn upon to pay a portion of the employer contribution when the employer contribution rate is greater than the normal cost of benefits, as specified. The bill would provide that the employer contribution rate may be reduced, pursuant to a specified formula, when the employer's Taxpayer Adverse Risk Prevention Account exceeds an amount equal to 50% of the employer's assets, exclusive of the assets in the Taxpayer Adverse Risk Prevention Account. The bill would permit assets in an account to be used for specified transfers and contributions authorized under existing law. The bill would provide that assets in an account would be invested with other system assets.

(2) The County Employees Retirement Law of 1937 authorizes the board of retirement to determine county or district contributions on the basis of a normal contribution rate, which is computed as a level percentage of compensation which, when applied to future compensation of the average new member entering the system, together with member contributions, is sufficient to provide for the payment of all prospective benefits of a member.

This bill would establish in each county or district's retirement fund a Taxpayer Adverse Risk Prevention Account. The account would be an employer asset, for that county or district, but would not be counted as an asset for the purpose of determining the employer's contribution rate. Deposits into the account would be made with all or a portion of employer contributions when the actuarial value of assets exceeds the present value of benefits, as specified. The bill would provide that the assets of the account would be drawn upon to pay a portion of the employer contribution when the employer contribution rate is greater than the normal cost of benefits, as specified. The bill would provide that the employer contribution rate may be reduced, pursuant to a specified formula, when the employer's Taxpayer Adverse Risk Prevention Account exceeds an amount equal to 50% of the employer's assets, exclusive of the assets in a Taxpayer Adverse Risk Prevention Account. The bill would permit assets in an account to be used for other specified contributions. The bill would provide that assets in an account would be invested with other system's assets.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

CA SB 27

STATUS:
02/18/2011 INTRODUCED.

AUTHOR: **Simitian** [D]
COAUTHOR(S): Correa [D]
TITLE: Public Retirement: Final Compensation: Computation
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Public Employment and Retirement Committee
CODE SECTION:

An act to amend Sections 22112.5, 22119.2, 22461, 22905, 25009, 26302, and 26505 of, to amend, repeal, and add Sections 24214.5 and 26806 of, and to add Section 26307 to, the Education Code, and to amend Sections 20221, 20630, 20636, 20636.1, and 21220 of, and to add [D] ~~Sections 7500.5 and~~ [A] Section <A> 21220.3 to, the Government Code, relating to public retirement systems.

SUMMARY:

Amends the state Teachers' Retirement Law to include the creditable compensation definition under the Defined Benefit Supplement Program, a lump sum payment under the program, to apply to certain retirees a provision that permits a retired member of the system to perform specified duties as independent contractor with no service credit and limits or prohibits compensation, and the Cash Balance Benefit Program. Relates to service compensation reporting under the Public Employees' Retirement Law.

DIGEST:

SB 27, as amended, Simitian. Public retirement: final compensation: computation: retirees.

(1) The State Teachers' Retirement Law (STRL) establishes the Defined Benefit Program of the State Teachers' Retirement System, which provides a defined benefit to members of the system based on final compensation, credited service, and age at retirement, subject the certain variations. STRL also establishes the Defined Benefit Supplement Program, which provides supplemental retirement, disability, and other benefits, payable either in a lump-sum payment, an annuity, or both to members of the State Teachers' Retirement Plan. STRL defines creditable compensation for these purposes as remuneration that is payable in cash to all persons in the same class of employees, as specified, for performing creditable service.

This bill would revise the definition of creditable compensation for these purposes and would identify certain payments, reimbursements, and compensation that are creditable compensation to be applied to the Defined Benefit Supplement Program. The bill would prohibit one employee from being considered a class. The bill would revise the definition of compensation with respect to the Defined Benefit Supplemental Program to include remuneration earnable within a 5-year period, which includes the last year in which the member's final compensation is determined, when it is in excess of 125% of that member's compensation earnable in the year prior to that 5-year period, as specified. The bill would prohibit a member who retires on or after January 1, 2013, who elects to receive his or her retirement benefit under the Defined Benefit Supplemental Program as a lump-sum payment from receiving that sum until 180 days have elapsed following the effective date of the member's retirement.

(2) Existing law permits a retired member of STRS to perform specified activities as an employee of an employer in the system, as an employee of a 3rd party, or as an independent contractor within the California public school system, but prohibits the member from making contributions to the retirement fund or accruing service credit based on compensation earned from that service. Existing law conditions this authorization on a variety of factors including limitations on the rate of pay of the member and the total amount of compensation. Existing law prohibits compensation, in this regard, for a member who is below normal retirement age for the first 6 months after retirement for service.

This bill would apply the prohibition described above to employees retiring on or after January 1, 2013, for the first 180 days after retirement for service.

(3) Existing law establishes the Cash Balance Benefit Program, administered by the State Teachers' Retirement Board, as a separate benefit program within the State Teachers' Retirement Plan in order to provide a retirement plan for persons employed to perform creditable service for less than 50% of full-time service. Existing law provides that the normal form of benefit under the program is a lump-sum payment, after which further benefits are not payable.

This bill would permit the board to assess penalties for late and improper adjustments on contributions in connection with the Cash Balance Benefit Program. The bill would prohibit a member who retires on or after January 1, 2013, from receiving the lump-sum payment under the program until 180 days have elapsed following the effective date of the member's termination of employment.

(4) The Public Employees' Retirement Law (PERL) establishes the Public Employees' Retirement System, which is administered by its Board of Administration, and which provides a defined benefit to its members based on age at retirement, service credit, and final compensation. PERL defines compensation earnable and other related terms for purposes of calculating a member's retirement allowance. PERL requires employers and contracting agencies participating in the system to provide notice to the board of the change of status of a member.

This bill would require a participating employer and contracting agencies to immediately notify the board of a change that may affect a member's payrate for purposes of compensation earnable and would authorize the board to assess a reasonable fee upon an employer that fails to do so. The bill would authorize the board to assess a reasonable amount to cover the cost of audit, adjustment, or correction, if it determines that an employer knowingly failed to comply with requirements regarding the reporting of compensation. The bill would specify that payrate means, among other things, the members' monthly base pay, would connect payrate to publicly available pay schedules, and would establish requirements for computation of the payrate of a member for a leave without pay. The bill would prescribe a process for determining if specific compensation items are special compensation. The bill would prohibit a person who retires on or after January 1, 2013, from being employed in any capacity by the state, the University of California, a school employer, or a contracting agency until that person has been separated from service for a period of at least 180 days, subject to existing exceptions.

The bill would make also additional related changes and would make a statement of legislative findings.

This bill would provide that its provisions would become operative on July 1, 2012, except as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

12/06/2010 INTRODUCED.
01/20/2011 To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT.
03/03/2011 From SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT with author's amendments.
03/03/2011 In SENATE. Read second time and amended. Re-referred to Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 115

AUTHOR: Strickland [R]
TITLE: Public Employees: Pensions: Forfeiture
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Public Employment and Retirement Committee
CODE SECTION:

An act to add Section 1244 to the Government Code, relating to public employees.

SUMMARY:

Requires a public officer or employee who is convicted of any felony for conduct arising directly out of his or her official duties to forfeit all rights and benefits under, and membership in, any public retirement system in which he or she is a member, effective on the date of final conviction. Requires any contributions made by that public officer or employee to the public retirement system that arose directly from his or her forfeited service would be returned to the officer or employee without interest.

DIGEST:

SB 115, as introduced, Strickland. Public employees: pensions: forfeiture. Existing law provides that any elected public officer who takes public office, or is reelected to public office, on or after January 1, 2006, who is convicted of any specified felony arising directly out of his or her official duties, forfeits all rights and benefits under, and membership in, any public retirement system in which he or she is a member, effective on the date of final conviction, as specified. This bill would additionally require a public officer or employee who is convicted of any felony for conduct arising directly out of his or her official duties on or after January 1, 2012, to forfeit all rights and benefits under, and membership in, any public retirement system in which he or she is a member, effective on the date of final conviction. That public officer or employee would forfeit only that portion of his or her rights and benefits that accrued on or after January 1, 2012. The bill would require any contributions made by that public officer or public employee to the public retirement system that arose directly from or accrued solely as a result of his or her forfeited service would be returned to the public officer or public employee without interest.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

01/19/2011 INTRODUCED.
02/10/2011 To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 203

AUTHOR: Correa [D]
TITLE: County Employee Retirement: Boards
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Public Employment and Retirement Committee
CODE SECTION:

An act to amend Sections 31520.1, 31520.2, 31520.3, 31520.4, and 31520.5 of, to add Section 31523.1 to, and to repeal and add Section 31523 of, the Government Code, relating to county retirement.

SUMMARY:

Deletes the authority of the County Retirement Board to prohibit, by a resolution or regulation of the board, a member from having the same rights, privileges, responsibilities, and access to closed sessions as the 2nd, 3rd, 7th or 8th member, or from holding positions on committees of the board, and participating in board or committee deliberations. Relates to alternate members. Prescribes a process to fill vacancies on a related investment board.

DIGEST:

SB 203, as introduced, Correa. County employee retirement: boards.

(1) The County Employees Retirement Law of 1937 sets forth the membership composition for boards of retirement, as specified. Under that law, the retirement board in specified counties is comprised of 9 members and an alternate member who is the candidate for the 7th member from the group of safety members, under specified provisions, that is not represented by a board member who received the highest number of votes for all candidates in that group, except as specified. The alternate member has, unless prohibited by a resolution or regulation of the board, the same rights, privileges, responsibilities, and access to closed sessions, as the 2nd, 3rd, 7th, and 8th member and the right to hold positions on committees of the board independent of the 2nd, 3rd, 7th, or 8th member, and to participate in the deliberations of the board or its committees, as specified. This bill would delete the authority of the board to prohibit, by a resolution or regulation of the board, a member from having the same rights, privileges, responsibilities, and access to closed sessions as the 2nd, 3rd, 7th, or 8th member, or from holding positions on committees of the board, and participating in board or committee deliberations, as described above. The bill would authorize the alternate 7th member to participate in the deliberations of the board on any of its committees to which the alternate 7th member has been appointed regardless of whether the 2nd, 3rd, 7th, or 8th member is present. The bill would require the board to cause an election to be held at the earliest possible date to fill a vacancy for the duration of the current term, except as specified, if there is a vacancy in the 2nd, 3rd, 7th, 8th, or alternate 7th member position. It would limit candidacy to the 7th member and alternate member positions, as specified. The bill would require the board of supervisors to forgo an election in specified circumstances when there is only one candidate. The bill would also make various changes in terminology and delete obsolete references.

(2) Existing law prescribes the manner of appointing an alternate retired member to the office of the 8th member of the board of retirement. If there is a vacancy with respect to the 8th member, existing law requires that the alternate retired member fill the vacancy until a successor qualifies. Existing law authorizes the

alternate retired member to hold positions on committees of the board independent of the 8th member and to participate in the deliberations of the board or its committees regardless of whether the 8th member is present, unless prohibited by resolution or regulation of the board.

This bill would instead require the board of retirement to, by majority vote, appoint a replacement alternate member, in the same manner as prescribed for the initial appointment of an alternate retired member, who shall serve until the expiration of the current term of the current member. The alternate retired member would have the same rights, privileges, responsibilities, and access to closed sessions as the 8th member, except as specified. The bill would also delete the authority of the board to prohibit the alternate retired member from holding positions on committees of the board or participating in the deliberations of the board or any of its committees to which the alternate retired member has been appointed, as described above. The bill would also make changes in terminology.

(3) Existing law permits the board of supervisors in a county in which the assets of the retirement system exceed \$800,000,000 to establish a board of investments, to consist of 9 members of specified classifications, which is responsible for the investments of the retirement system. Existing law prescribes the terms for the members of the board of investments.

This bill would prescribe a process for filling vacancies in specified positions on a board of investments, as described above. The bill would require the board to cause an election to be held at the earliest possible date to fill those vacancies, except as specified, with a replacement member to serve for the duration of the current term, unless the remaining portion is 6 months or less, in which case concurrent elections would be authorized to be held for the vacant term position and the succeeding term position. The bill would require the board of supervisors to forgo an election in specified circumstances when there is only one candidate. The bill would also delete obsolete references and establish the initial term of a person appointed as a 9th member.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/08/2011 INTRODUCED.
02/17/2011 To SENATE Committee on PUBLIC EMPLOYMENT AND RETIREMENT.

CA SB 262

AUTHOR: De Leon [D]
TITLE: Individual Retirement Accounts
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act relating to individual retirement accounts.

SUMMARY:

Makes findings and declarations of the Legislature that conclude that the state should create an additional retirement savings program for its workers to supplement existing savings options.

DIGEST:

SB 262, as introduced, De Leon. Individual retirement accounts.

Existing federal law provides for tax-qualified retirement plans and individual retirement accounts or individual retirement annuities by which private citizens may save money for retirement.

This bill would make findings and declarations of the Legislature that conclude that the state should create an additional retirement savings program for its workers to supplement existing savings options.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/10/2011 INTRODUCED.

02/24/2011 To SENATE Committee on RULES.

CA SB 520

AUTHOR: **Walters** [R]
TITLE: Public Employees' Retirement
FISCAL COMMITTEE: no
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act relating to public employees' retirement.

SUMMARY:

Declares the intent of the Legislature to enact legislation to reform California's unsustainable pension system by incorporating a defined-contribution program into California's system.

DIGEST:

SB 520, as introduced, Walters. Public employees' retirement.

The State Teachers' Retirement System, the Public Employees' Retirement System, and the Judges' Retirement System and the Judges Retirement System II provide pension benefits based in part upon credited service. Under existing law, counties and districts, as defined, may provide retirement benefits to their employees pursuant to the County Employees Retirement Law of 1937.

This bill would declare the intent of the Legislature to enact legislation to reform California's unsustainable pension system by incorporating a defined-contribution program into California's system. The bill would also make related findings and declarations.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

STATUS:

02/17/2011 INTRODUCED.

03/03/2011 To SENATE Committee on RULES.

CA SB 689

AUTHOR: **Harman** [R]
TITLE: Public Retirement Systems
FISCAL COMMITTEE: yes
URGENCY CLAUSE: no
DISPOSITION: Pending
LOCATION: Senate Rules Committee
CODE SECTION:

An act to add and repeal Section 7503.1 of the Government Code, relating to

public retirement systems.

SUMMARY:

Requires all state and local public retirement systems to file an annual report with the Legislature, the Department of Finance, and the Legislative Analyst's Office that would include specified information about any retired member who receives a pension of \$100,000 or more annually.

DIGEST:

SB 689, as introduced, Harman. Public retirement systems.

Existing law requires all state and local public retirement systems to prepare an annual report in accordance with generally accepted accounting principles.

The bill would, until January 1, 2016, require all state and local public retirement systems to file an annual report with the Legislature, the Department of Finance, and the Legislative Analyst's Office that would include specified information about any retired member who receives a pension of \$100,000 or more annually.

The bill would express a legislative finding and declaration that to ensure the security of the University of California funds, including retirement funds, it is necessary for this act to apply to the University of California.

The bill would also express a legislative finding and declaration that to ensure the statewide integrity of local government, to cultivate an attractive business climate, and to improve the sufficiency of local public safety services, the disclosure of generous pensions paid to public retirees is an issue of statewide concern and not a municipal affair, and that therefore, all cities, including charter cities, would be subject to the provisions of the bill.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

STATUS:

02/18/2011

INTRODUCED.

03/03/2011

To SENATE Committee on RULES.

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**OFFICE OF THE COUNTY ADMINISTRATOR
CONTRA COSTA COUNTY**

TO: Legislation Committee
Supervisor Karen Mitchoff, Chair
Supervisor John Gioia, Vice Chair

FROM: Lara DeLaney, Legislative Coordinator

DATE: March 15, 2011

SUBJECT: **Agenda Item #6: Federal Issues Update**

RECOMMENDATION

ACCEPT the report on federal legislative matters.

WASHINGTON, D.C. UPDATE

After the President's Day recess, Congress returned to Capitol Hill the week of February 28 as Senate and House leaders focused much of their attention on the fiscal year 2011 appropriations. With a stopgap spending law (PL 111-322) set to expire on March 4, lawmakers scrambled to avert a government shutdown with the development of another Continuing Resolution.

During the week-long recess, House Republican leadership introduced on February 25 a draft bill that would keep the federal government operating for another two weeks, or until March 18. The GOP short-term funding measure, or Continuing Resolution (CR), sliced about \$4 billion from the federal budget in the current fiscal year. Some of the cuts had been targeted by President Obama in his fiscal year 2012 budget request.

As expected, the House cleared the spending measure (H J Res 44) on March 1 by a vote of 335 to 91, with the Senate following suit the next day. Shortly after Senate passage, the measure was rushed to the White House for the President's signature.

After signing the short-term funding bill, President Obama called for congressional leaders from both parties to meet with Vice President Joe Biden to discuss how to fund the federal government for the rest of the fiscal year. The initial meeting took place March 3 on Capitol Hill, but negotiators were short on details with regard to the high-level budget talks.

Prior to Congress approving the stopgap funding bill, the Obama administration announced March 1 that it would embrace a four or five-week CR that would double the House GOP's two-week, \$4 billion package. While the administration did not release any details on which programs would be on the chopping block in order to achieve \$8

billion in savings, several Senate Democrats quickly declared their support for the administration's proposal. Soon after the White House announcement, however, House Speaker John Boehner (R-OH) threw cold water on the suggestion, stating that Democrats should have expressed their concerns earlier in the process.

In the ongoing struggle to finalize a spending bill for this year, the House approved a longer-term CR (HR 1) on February 19 that would shave about \$62 billion from current spending. HR 1, which would have funded the government through September 30, received a chilly reception from Senate Democrats. In contrast, the two-week CR that passed Congress did not contain some of the more controversial policy issues that were included in the longer-term package.

In other spending developments, House and Senate appropriators kicked off what has become an annual rite on Capitol Hill - conducting hearings on the administration's budget plan. Roughly 20 appropriations hearings were held on President Obama's fiscal year 2012 spending request, with many more scheduled in the upcoming weeks. Among the hearings held the week of February 28 were those reviewing the Departments of Homeland Security, Transportation, Housing and Urban Development, and Justice, as well as the Environmental Protection Agency.

SAFETEA-LU Extension

Although appropriations issues dominated the congressional agenda the week of February 28, the House passed March 1 a short-term extension (HR 662) that would continue current surface transportation programs at fiscal year 2010 funding levels to the end of the fiscal year (September 30). The Senate also approved the transportation extension bill before wrapping up its business for the week. President Obama signed the measure into law immediately.

The current surface transportation law, SAFETEA-LU, expired in September 2009 and has been operating under a series of short-term extensions ever since. In fact, this action by Congress marks the seventh stopgap extension of the transportation law. The extension prevents programs from expiring on March 4, allowing lawmakers additional time to work on a long-term reauthorization.

In what seems like an endless attempt to produce a multi-year bill, transportation leaders in both the House and Senate are aiming to introduce long-term transportation legislative proposals this month, but that time-frame could easily slip into later in the spring.

In an effort to begin moving the process forward, Senate Environment and Public Works Committee Chairwoman Barbara Boxer (D-CA) held a joint hearing February 23 in Los Angeles with members of the House Transportation and Infrastructure (T&I) Committee, including the chairman of the panel, John Mica (R-FL). Among those testifying at the committee hearing was Los Angeles County Supervisor Don Knabe, who also serves as the chairman of the Los Angeles County Metropolitan Transportation Authority.

Panelists addressed the need to improve and reform transportation programs and the importance to the economy of investing in infrastructure projects.

In other transportation news, U.S. Transportation Secretary Ray LaHood spend a good part of the week testifying on Capitol Hill, facing three Senate committees to defend the Obama administration's six-year, \$556 million surface transportation reauthorization proposal that was outlined in its fiscal year 2012 budget request.

Among other items, President Obama's budget plan would consolidate 55 highway programs into five. Additionally, the President's transportation initiative would merge rail spending within the Highway Trust Fund to create a Transportation Trust Fund (TTF). The proposed TTF would be comprised of four separate accounts (highways, transit, high-speed rail, and the National Infrastructure Bank). The new National Infrastructure Bank would finance large-scale public works projects.

The President's transportation plan, however, does not provide for a funding mechanism to replace the gas tax. Secretary LaHood noted that the administration was leaving funding decisions up to Congress, which is likely to be one of the main sticking points as lawmakers deliberate on the SAFETEA-LU rewrite.

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House approves another short-term funding bill as frustration grows

By Pete Kasperowicz - 03/15/11 03:31 PM ET

The House on Tuesday approved a sixth short-term spending resolution for the current fiscal year by a 271-158 vote, despite opposition from a group of conservative lawmakers who called for deeper cuts and social policy riders.

Senate consideration of the measure could come as early as Wednesday amid growing frustration over the partisan stalemate on a longer-term bill to fund the government through September.

The frustration with the three-week spending bill was apparent on two fronts: 54 Republicans defected on the measure, far more than the six who voted against the last stopgap. That temporary measure, which expires Friday, passed 335-91.

Fewer Democrats also crossed party lines to support the new continuing resolution. This time, 85 Democrats voted with Republicans, compared to 104 in the earlier vote.

Republicans acknowledged that a longer-term funding bill is preferable, but blamed Senate Democrats and President Obama for failing to put forth an alternative budget that can pass the Senate. The GOP said the three-week spending resolution, which expires April 8, should give the Senate plenty of time to figure out what can pass there.

"I rise today ... to support this rule that will bring to the floor a continuing resolution that will give the Senate three more weeks to get its house in order to do the business that the American people sent the Senate here to do, to join us in doing the good work that we have done, and to move a bill to the president's desk," said Rep. Rob Woodall (R-Ga.).

Republicans also blamed Democrats for failing to approve a budget last year, and said that failure means they have no right to complain about GOP budget proposals. Mike Simpson (R-Idaho) was particularly harsh in his criticism of Democrats on this point.

"They left the American people and this country with this pile of crap, they should not complain about how we try to clean this up," he said.

But Democrats rejected these arguments and said Republicans need to restart negotiations with the Senate and abandon the earlier House-passed bill, H.R. 1, as a starting point.

"Their ideological and rigid loyalty to H.R. 1 is what is holding up these negotiations," said Rep. Jim McGovern (D-Mass.).

Rep. Frank Pallone (D-N.J.) added that Republicans are effectively saying, "Take it or leave it."

House Minority Whip Steny Hoyer (D-Md.), who warned last week that this is the last continuing resolution he would support, stressed that temporary spending bills are not good governance.

"This is a lousy way to run a railroad," Hoyer said. "We are trying to run the largest enterprise in the world in two-week segments. This ought to be the last of this type."

But the lack of a Senate consensus was on the minds of many in the House, including Democrats. Hoyer was interrupted by Rep. Hal Rogers (R-Ky.), who asked: "Would the gentleman talk to his colleagues over in the other body and tell them to pass something we can begin to negotiate on?"

Laughing, Hoyer replied, "Four-hundred-thirty-five of us have tried to talk to the people in the other body."

White House press secretary Jay Carney said the short-term measure gives Congress "some breathing room" to work on a longer-term measure. He said Obama is urging the Senate to pass the bill to prevent a shutdown.

"But the President has been clear: with the wide range of issues facing our nation, we cannot keep funding the government in two or three week increments," Carney said. "It is time for us to come together, find common ground and resolve this issue in a sensible way. There is no disagreement on whether to cut spending to put us on a path to live within our means, but we can't sacrifice critical investments that will help us out-innovate, out-educate, and out-build our global competitors to win the future. We have already met Republicans halfway, and we are optimistic that Congress can get this done."

This post was updated at 4:19 p.m.

Source:

<http://thehill.com/blogs/floor-action/house/149693-house-approves-short-term-government-funding>

March 14, 2011

MEMO

To: Contra Costa County Board of Supervisors, Legislation Committee

From: Michael Kent, Executive Assistant to the Hazardous Materials Commission

Re: **Household Hazardous Waste Report Recommendation**

Recommendation

AMEND the 2011 State Legislative Platform to include the following policy position:

SUPPORT legislative and regulatory efforts to allow third parties, under specific circumstances and conditions, to collect and transport household hazardous waste to collection facilities.

Background

On January 25, 2011 George Smith, chair of the Contra Costa Hazardous Materials Commission, gave a brief presentation to the Board of Supervisors on the findings of a report the Commission prepared concerning Household Hazardous Waste management in Contra Costa County. The 8th recommendation of that study was:

Support the creation of policies that would allow for the collection and transportation of Household Hazardous Waste (HHW), and the use of HHW facilities, by entities not charging a fee for such services. This may require supporting changes to current laws and regulations governing the management of HHW.

The Board of Supervisors voted to refer this recommendation to the Legislation Committee for further consideration.

The basis for this recommendation was several examples that were brought to the attention of the Commission. One example of where such a policy would be beneficial was provided to the Commission by the manager of an apartment complex that used a private company to sort the recyclable material out of the garbage generated by its residents. In the process of sorting out recyclable material from the garbage, this company would occasionally find hazardous products that had been thrown out by residents of the apartment complex. However, the HHW collection facility that served the area where this apartment complex was located would not allow the company to drop off the materials as

residential HHW. The only option given to them was to register as a small quantity generator of hazardous waste and pay a fee to drop off the material at the HHW facility.

Another example discussed at a Commission meeting was that of a senior housing complex that received a HUD grant to implement green upgrades to their facility. One of the requirements of this grant was to provide collection services to the residents for their HHW. The local HHW facility has been accepting hazardous materials generated by the tenants and transported by the manager at no cost, but this policy is not uniformly applied throughout the County.

Current state law, Health and Safety Code Section 25218.5, requires, with very limited exception, that household hazardous waste can only be transported to a collection facility by the individual that generated the waste or by a permitted entity.

Discussion

In general, the Hazardous Materials Commission supports efforts that make it easier and more convenient for households to dispose of the hazardous waste they generate. Requiring entities engaged in efforts such as those described above to be fully permitted or to pay fees to take household generated waste to collection facilities would discourage those entities from providing the service, and thus would reduce the number of proper disposal options available, especially to apartment dwellers.

The Hazardous Materials Commission would encourage development of policies and simplified regulations for such intermediaries that would allow them to easily transport household hazardous waste to collection facilities, while still providing safeguards for public health and the environment.

The Hazardous Materials Commission did not develop specific language for such a policy, regulation or statute, but would encourage the development of such by relevant stakeholders. At a minimum, the Hazardous Materials Commission would encourage consultation with the entities that operate the three regional Household Hazardous Waste Collection facilities in the County, the Department of Toxic Substances Control, CalRecycle, and the County's Solid Waste and Recycling Program Manager.

Some of the issues that would need to be considered are:

- the circumstances under which a third party could transport and dispose of HHW at regional collection facilities or one day collection events,
- the type of documentation necessary to prove third parties transporting HHW were not conducting this activity as a profit-making business,

- the amounts of HHW that could be transported and disposed of at any one time by third parties, and
- the safeguards third parties would need to take to ensure the safe collection and transportation of HHW.

**OFFICE OF THE COUNTY ADMINISTRATOR
CONTRA COSTA COUNTY**

TO: Legislation Committee
Supervisor Karen Mitchoff, Chair
Supervisor John Gioia, Vice Chair

FROM: Lara DeLaney, Legislative Coordinator

DATE: March 16, 2011

SUBJECT: **Agenda Item #9: ARRA Federal Stimulus Funds Status Report**

RECOMMENDATION

ACCEPT the status report on the County's American Recovery and Reinvestment Act (ARRA) federal stimulus funds.

STATUS REPORT

On February 17, 2009, President Obama signed into law the American Recovery and Reinvestment Act (ARRA) of 2009, P.L. 111-5. Section 1512 of the Recovery Act requires each organization to report on the use of Recovery Act funding. The Recovery Accountability and Transparency Board ("Recovery Board") has identified and deployed a nationwide data collection system at the website **FederalReporting.gov** that serves to collect data required by Section 1512.

The 2010 4th quarter reporting period was from January 1 to January 14th, 2011. This reporting period covers work completed through December 31, 2010. Contra Costa County was in compliance with the 4th quarter reporting period. To date, Contra Costa County has been awarded over \$67.8M in funds and has received \$33.5M.

Staff has prepared this status report on the ARRA funds that Contra Costa County has either received through formula grants or through competitive grants. Staff of the CAO and the Auditor-Controller are collaborating to ensure that all reporting requirements are met and all relevant information is captured. Former Supervisor Bonilla requested that the status report also identify the impact of all ARRA funds in terms of job creation, economic impact, social impact, and cost avoidance, and we have endeavored to capture that information from department staff managing the funds.

The spreadsheet identifying the County's participation in ARRA funding opportunities is attached; it is being continuously updated as information from Departments is provided. It is also provided on the County's website, under the ARRA Stimulus Funding tab: <http://www.co.contra-costa.ca.us/index.aspx?nid=2409>.

A couple of noteworthy observations about the County's ARRA funds:

1. On December 12, 2009, Contra Costa Health Services was awarded an unprecedented \$12 million to relocate and rebuild the Richmond Health Center. Funds were awarded through a competitive grant process for a one-time facility improvement opportunity to address significant and pressing capital improvement needs in health centers, including construction and renovation.

In our original application, Contra Costa Health Services (CCHS) indicated that the campus of Doctors Medical Center (DMC) San Pablo, near the current site, was the new location for the Health Center. However, there have been issues that could not be foreseen with the DMC location that would have been resolved in time, but not within the two-year timeframe set forth by HRSA to complete the project. As a result, CCHS has chosen a new location for the West County Health Center in San Pablo's Redevelopment Zone, 200 yards from the old DMC site.

Contra Costa Health Services completed the requirements for the FONSI Public Notice for the West County Health Center project by the end of December 2010. They are expecting a revised Notice of Grant Award that reflects that milestone by the end of January 2011. Construction progress on the West County Health Center for this past quarter consists primarily of activity to move forward the first two bid packages - one for the demolition of an existing building on site and the second for site work and foundations piles. The building demolition bid process has been completed and a contract awarded. Demolition work will commence in January 2011. The 2nd bid package (site work and foundation piles) is out to bid with a bid submission date of January 20, 2011. Site work is estimated to begin in February. Concurrently, design continues on the other elements of the project, including foundations, shell & core, mechanical/electrical/plumbing systems, and tenant improvements.

2. Community Development Block Grant (CDBG-R): Eleven of the 14 projects have been completed. There is a total of \$836,747 in CDBG-R funds that was available for infrastructure projects/activities that provide basic services to lower-income residents or activities that promote energy efficiency and conservation through the rehabilitation or retrofitting of existing buildings.

Completed projects include: Opportunity Junction, Building Renovation; Knightsen Ave. Sidewalk; Lefty Gomez Building Renovation; George Miller Center Rehab; Davis Park Community Center Remodel; Chavez Center Improvements; Las Deltas/Bella Flora Landscape Improvements; Office Expansion—Concord; Renovation of Veterans Hall—Brentwood; Elevator for ADA Accessibility—Moraga; Sidewalk Replacement—Martinez.

3. Homeless Prevention and Rapid Rehousing Program: The Department of Housing and Urban Development awarded \$1,421,551 to the County for the Homeless Prevention and Rapid Re-housing Program. In collaboration with other local jurisdictions and agencies, the County has awarded a contract to a local non-profit, Shelter Inc., in the amount of \$1,260,000 to act as the lead agency to provide homeless

prevention and rapid re-housing services countywide. Shelter Inc. has established MOUs with the Greater Richmond Interfaith Program, Rubicon Programs, Catholic Charities of the East Bay and Bay Area Legal Aid to ensure that all elements of the Program are provided. The County has also awarded \$109,551 to Homeless Services for Data Collection and Evaluation through the Homeless Management and Information Systems (HMIS).

The County monitored the lead agency and all partner agencies during the latter part of 2010. The monitoring included a review of program implementation and client's files as well as a financial review. Because there are often issues common to all agencies, the results of the monitoring visits were combined in one letter, which was sent to all partners. The intent was to allow all agencies to see (1) what concerns others are faced with so they can address those issues within their own agencies, if necessary; and (2) establish that standard policies and procedures are being followed from agency to agency. All issues that were identified during the monitoring visits have been resolved. In addition, Shelter Inc. has conducted on-going monitoring visits of each partner and has immediately addressed any issues.

As of December 31, 2010, the County has expended \$723,988, 50% of the grant allocation and is on track to meet the 60% requirement by August 2011. In addition, we anticipate exceeding our original estimates for the number of clients served.

4. Energy Efficiency and Conservation Block Grants (EECBG): The County was awarded \$3,574,300 in EECBG funds and has expended \$633,273 through December 2010. Expenditures reported during this period are for staff and contractor (consultant) time spent on all activities. Time spent implementing activities included hours used assessing potential municipal solar and building retrofit projects, developing factsheets about energy conservation for County employees and working on amendments to the County Zoning Code.

5. The current amount of ARRA funds for the Vasco Road Safety Improvement Project is \$11,279,083. This is up from the \$10 million originally received. The additional amount of ARRA funds came from savings from the Vasco Road Overlay project, below, and from other cost savings realized from other jurisdictions in Contra Costa County.

Teichert Construction is making minimal progress in completion of the Stage 2 improvements of the Vasco Safety project due to the recent wet weather. A majority of the Stage 2 storm drain and wildlife crossings with the existing Vasco Rd project limits have been constructed. Pending weather, all the crossings will be completed by the end of March. The architectural concrete finish (fractured fin) for a portion of the southern limit retaining walls are complete with the remaining walls at the northern limit to be completed by June. Public Works is coordinating with Teichert Construction to identify efficient ways to continue construction operations during the winter months, in an effort to avoid extending project completion into early 2012. Stage 2 road work

(grading and paving) will start in early Spring with Stage 3 improvements scheduled to begin in June 2011. Completion of the entire project is anticipated in Fall 2011.

6. The amount of ARRA funds received for the Vasco Road Overlay Project was \$2,762,000. However, given the low bids received and additional savings to this project during construction, we have applied some of those savings to the Vasco Road Safety Improvement project as stated above. The remaining portion of ARRA funds applied to the Vasco Road Overlay project is \$1,945,770. The project completed a grind and overlay (inlay) of Vasco Road between the Alameda County Line and Frisk Creek Bridge (7.4 miles), excluding the area within the Vasco Road Safety Improvements – Phase 1 project limits. The project did not include any pavement widening and all work was contained within the existing road pavement. The project included base and pavement failure repairs in some locations. The overlay was followed by a replacement of traffic striping. This project was completed in Fall 2009.

7. Health Care for the Homeless has received an ARRA award for "Increased Demand for Services" for \$224,841 over a two year period, which has allowed an increase in 0.5 FTE for a family physician to see an additional 800 patients over the two year period. The County will exceed this goal, having already reported to the federal government an additional 756 new patients seen. The County has expended \$196, 611 through December 2010.

8. Contra Costa Health Services also has received a Capital Improvement Project grant for \$683,020 for construction of a new modular unit for the Martinez family practice site. The existing building is in need of replacement due to asbestos in the walls and a non-operating HVAC system. The asbestos remediation costs exceed the value of the building, making repair/renovation unfeasible. Since Fall 2008, this building has become almost uninhabitable, impeding clinical services significantly with compacted services at other service sites. The County has expended \$14,545 through December 2010.

Design development for the Family Health Center is nearly complete. Construction documents and cost estimates are or will be underway soon. While still on the Contra Costa Regional Medical Center campus, the Family Health Center clinic has been shifted approximately 200 yards north to allow for a more efficient clinic design and to accommodate additional parking for the expected patient volumes.

9. The Department of Health Services received an Immunization Assistance Grant in the amount of \$135,000, which was fully expended and claimed. The funds were utilized as a collaborative partnership with WIC and school-based services to ensure that young children and pre-teens receive needed immunizations.

American Recovery and Reinvestment Act of 2009
Contra Costa County Participation

Department	Expected Amount	Amount Applied/Applying For	Amount Awarded	Amount Received to Date	Use of Funds	Program	How Allocated	Jobs Impact	Economic Impact	Social Impact	Reporting Requirements
Contra Costa Consolidated Fire	unknown	\$ 3,438,200	\$ -	\$ -	\$15,000,000 maximum grant available for Firehouse Construction. We requested funds to build/relocate two fire stations - Station 16 in Lafayette and Station 86 in Bay Point. Station 16 sustained significant damage in the 1989 Loma Prieta earthquake. Engineers have determined it is structurally unsound. Station personnel live in an on-site mobile home. Station 86 houses the station personnel but it has many problems - cramped, non-ADA compliant, no gender privacy, asbestos, periodic infestations, etc. <i>Did not get approved.</i>	AFG	Department of Homeland Security has \$210 M (nationwide) for firefighter AFG grants for firehouse construction. Competitive grants.				
Department of Conservation and Development/ Redevelopment Division	\$ 929,719	\$ 929,719	\$ 929,719	\$ 632,452	Infrastructure projects that provide basic services to residents or activities that promote energy efficiency and conservation through the rehabilitation/retrofitting of existing buildings.	CDBG (Community Development Block Grant)	Formula grant to County. County funds were allocated through an RFP process.	10.76 FTE jobs created to date.	Will finance at least \$900,000 in construction activity	Prevailing wage jobs will be created; small business/microenterprise assistance; energy efficiency or conservation. Activities are required to create or retain jobs or promote economic opportunity for lower income persons/households; or promote energy conservation, smart growth, green building technology, or reduce pollution emissions.	Probably through the normal CDBG reporting process with an emphasis on reporting on jobs created or retained.
	\$ 1,421,551	\$ 1,421,551	\$ 1,421,511	\$ 723,989	Homeless Prevention and Rapid Re-Housing activities. To rapidly re-house families who fall into homelessness, or prevent them from becoming homeless in the first place. The funding is provided to help persons and families facing a sudden financial crisis that could lead to homelessness.	Homeless Prevention and Rapid Rehousing (HPRR)	County funds were allocated through an RFP process. HPRR services began on September 30, 2009.	4.49 FTE jobs created to date.	Program helps reduce the incidence of homelessness and the impact that has on the social service network, and help homeless families move to permanent housing.	Individuals and families who are at risk of becoming homeless will be provided assistance so they can stay in their homes, and individuals and families who are homeless will be able to access permanent housing in a more timely manner.	Reporting outcomes through HMIS is required.
Department of Conservation & Development	\$ 3,574,300	\$ 3,574,300	\$ 3,574,300	\$ 633,273	The County has proposed to fund the following activities under this grant program: 1. Lighting Improvements for County Buildings 2. Streetlight Upgrades 3. County Building Retrofits 4. Renewable Power for County Buildings 5. Employee Commute Program 6. Employee Energy Conservation Campaign 7. Grants to Retrofit Non-Profit Facilities 8. Property Assessed Clean Energy (PACE) Financing Program 9. Supplemental Retrofit Program for Weatherization Assistance Households 10. Energy Efficiency Assessments & Outreach for Private Sector Buildings 11. Permit Fee Rebates for Residential/Commercial Solar Projects 12. Expanded Weatherization Retrofit Program & Training 13. Energy Efficiency & Conservation Toolkit 14. Update Zoning Code & Standards to Reduce Vehicle Miles Traveled	Energy Efficiency and Conservation Block Grants	\$3.2 billion for the Energy Efficiency and Conservation Block Grant (EECBG) Program as authorized under Subtitle E of Title V of the Energy Independence and Security Act. Contra Costa County and other large population cities/counties are eligible for direct formula grants from the DOE. This \$3.2 billion will fund these direct formula grants through the DOE, as well as funding for smaller cities/counties which are to be allocated through the State and the remaining \$455 million will be made available through competitive grants to be solicited through the DOE.	4.49 Jobs Created/Retained to date (where 1 job = 520 hours worked per quarter)	Will finance well over \$1M in building and lighting improvements which are expected to reduce the amount of energy used by County buildings resulting in direct ongoing cost savings. Funding allows for improvement projects that would not otherwise have moved forward in the near-term, thereby providing new employment opportunities for local administrative staff, engineers, technicians, inspectors, construction contractors, carpenters, equipment/material providers, etc.	Portion of funding to be used for construction-related activities will result in new opportunities for additional local prevailing wage jobs. Additionally, all activities being funded are intended to increase energy efficiency and conservation which will reduce greenhouse gas emissions being generated from the County's own municipal buildings as well as private sector buildings located in the unincorporated area.	Applicable reporting requirements are quite detailed and differentiate between what is required to be submitted Quarterly, Annually, and at Final Closeout. Quarterly reporting requirements appear to be most comprehensive (some of the specifics have yet to be finalized and released by the DOE), however would at a minimum would include reporting certain details regarding expenditures and outcomes related to the five specified metrics (1-Jobs created and/or retained, 2-Energy savings on a per dollar invested basis, 3-Renewable energy capacity installed, 4-Greenhouse gas emissions reduced and 5-Funds leverage).
District Attorney			\$ 492,869	\$ 148,078	The goal of the project will be to control, reduce and/or prevent criminal narcotic activity, including drug-related violence in Contra Costa County. The grant attorney will provide assistance regarding all aspects of investigations to the multi-jurisdictional task force units where the cases involve the trafficking drugs, and gang activity. The project will enable the prosecutor to work every phase of a case, from detection of a violator's criminal activity to punishment. The attorney will also be primarily responsible for supervising court-ordered wire intercepts. The prosecutor will appear at bail setting and bail studies, pretrials, motions, preliminary hearing, trials, and sentencing on those cases. The Sheriff's Office representative assigned to CNET, will be a seasoned investigator with substantial experience in drug and gang investigations. He will be physically stationed at the CNET headquarters, but will be available to assist in WNET investigations as required. He will coordinate grant-generated cases, particularly those involving drug endangered children charges, with the grant attorney.	Anti-Drug Abuse Enforcement Team Recovery Act Program		72% FTE Deputy District Attorney; 1 FTE Deputy Sheriff	Data developed from individual agencies may indicate the success of a particular team or jurisdiction; however, the overall impact of enforcement activity cannot be measured by recording statistics alone. These statistics must be evaluated in terms of overall impact each investigation has on the community. For instance, several cases have shown that drug traffickers arrested in one city have significant ties in several other cities throughout the County. The networking of resources has allowed enforcement agencies of Contra Costa County to more effectively combat this crime problem.	The Task Forces have functioned as viable resources to the law enforcement community in its efforts to combat drug trafficking and gang activity in Contra Costa County. The cases that the Task Forces have investigated demonstrate that drug trafficking affects all communities regardless of socioeconomic status. The task forces complement local agencies in effectively identifying, arresting and prosecuting high and mid-level narcotic traffickers and manufacturers in order to make the county community safer and more free from debilitating effects that drug abuse poses.	Quarterly financial and programmatic reporting is due within 15 calendar days after the end of each CalEMA quarter. The Job Data Collection sheet is due each month.
Employment and Human Services <i>See second Worksheet tab for details.</i>			\$ 31,978,846	\$ 22,795,049							
General Services		\$ 198,000	\$ -	\$ -	Subsidy toward alternative fuel vehicle purchases. <i>(Did not get approved.)</i>	BAAQMD (CEC - DOE)	\$2,000 per alternative fuel vehicle purchased over two years.	Unknown at this time	Saves the County \$198,000.	Less emissions.	BAAQMD will be invoiced with proof of purchase.
Health Services				\$ -	Directly related to the provision of existing health care and mental health services.		This amount is related to the increase in the Federal Medical Assistance Percentage for Medi-Cal services and an increase in the hospital disproportionate funding cap.	CMS has not yet approved the State's proposed allocation methodology for distribution of the Disproportionate Share Hospital funding under the new Medi-Cal waiver that went into effect on November 1, 2010.			
			\$ 12,000,000	\$ 432,585	To relocate and rebuild Richmond Health Center. CCHS has chosen a new location for the West County Health Center in San Pablo's Redevelopment Zone, 200 yards from the old DMC site. CCHS completed the requirements for the FONSI Public Notice for the West County Health Center project by the end of December 2010. We are expecting a revised Notice of Grant Award that reflects that milestone by the end of January 2011.			13.0 FTE (Construction related staff)		CCHS is replacing and expanding the Richmond Health Center (RHC) at a new location, 13613 San Pablo Ave., San Pablo, approximately 2 miles from the current site. Since 1967, the RHC has provided over one million physician visits to low-income West Contra Costa residents. The existing facility is in poor condition, overcrowded, and seismically unsafe. Construction of the new health center will preserve and expand services to low income, uninsured and underinsured patients.	Quarterly reporting to Grants.gov and Federal reporting.gov.
			\$ 683,020	\$ 14,545	Capital Improvement Program for Health Care for Homeless program. The CIP funds will allow CCHS to demolish the Martinez Family Practice site and replace it with a new modular unit with the same square footage in the same location.	Administered through HRSA		0.80 FTE		The existing building is in need of replacement due to asbestos in the walls and a nonoperating HVAC system. The asbestos remediation costs exceed the value of the building, making repair/renovation unfeasible. Since Fall 2008, this building has become almost uninhabitable, impeding clinical services significantly with compacted services at other service sites.	Quarterly reporting to Grants.gov and Federal reporting.gov.
		\$ 135,000	\$ 135,000	\$ 135,000	Collaborative partnership with WIC and school-based services to ensure that young children and pre-teens receive needed immunizations	CDC Immunization Assistance	Competitive grant allocated via CDPH process	2.0 FTE	ARRA funding allows these two projects that would have otherwise ended resulting in elimination of staff positions.	By ensuring young children and preteens are immunized, the health of the whole community is protected and enhanced.	
		\$ 1,179,420	\$ 1,179,420	\$ 1,179,420	Substance Abuse Services	AODS	Formula based allocation from state to counties. Local contracts awarded on the basis of prior year caseeloads.	4 positions will be able to be kept through FY 10-11		Treatment services will be provided to approximately 1,300 non-violent drug offenders.	Monthly Job Data Collection Sheets
			\$ 224,841	\$ 196,611	Increased Demand for Services grant for the Health Care for Homeless program. The purpose of the Increased Demand for Services award through the ARRA is to address the increased needs of homeless patients. With these funds, CCHS added a 0.5 FTE physician to increase capacity.	Administered through HRSA		0.50 Physician added	ARRA funding provides one half time physician salary and benefits.	We have utilized the funds from the Increased Demand for Services award through the ARRA to address the increased needs of homeless patients by adding a 0.5 FTE physician to our staffing. As the only public safety-net hospital and clinic system in Contra Costa County, we are the main provider of care to homeless patients. To address the needs of the homeless population, CCHS has operated the Health Care for the Homeless (HCH) Project since 1980, bringing mobile clinical services to homeless individuals and providing homeless patients with access to services from the entire CCHS health care delivery system. These funds have added additional capacity to our health care delivery system, thereby enabling our health care delivery system to provide care to additional homeless patients.	Quarterly reporting to Grants.gov and Federal reporting.gov.
Probation			\$ 200,000	\$ -	The grant supports a full-time Deputy Probation Officer who will provide specialized supervision of adult felony drug offenders and serve as Court Officer to the Felony alternative Drug Sentencing Program.	Drug Court Discretionary Grant Program		1 Deputy Probation Officer position will be able to be kept through FY10-11	ARRA funding provides funding for 1 position that would have otherwise been eliminated.	Increased community safety	Quarterly Financial Status Reports
			\$ 161,078	\$ 161,078	Fund one Deputy Probation Officer to supervise small caseeloads, focusing strictly on sexual assault offenders.	Sexual Assault Grant Probation Specialized Unit Recovery		1 Deputy Probation Officer position will be able to be kept through FY10-11	ARRA funding provides funding for 1 position that would have otherwise been eliminated.	Increased community safety	Quarterly Report of Expenditures and Request for funds
			\$ 1,189,293	\$ 1,107,591	Staff a unit of Probation Officers to provide evidence-based intensive probation supervision to adult felony probationers and thereby reduce the likelihood they will commit new crimes or other violations and be sent to prison.	Evidence Based Probation Supervision Recovery Act Prog	This is a targeted amount and cannot be used for other purposes.	6 Deputy Probation Officers, 2 Clerks and 1 Probation Supervisor positions will be able to be kept through FY10-11	ARRA funding provides funding for 9 positions that would have otherwise been eliminated.	Increased community safety	Quarterly Report of Expenditures and Request for funds

**American Recovery and Reinvestment Act of 2009
Contra Costa County Participation**

Department	Expected Amount	Amount Applied/Applying For	Amount Awarded	Amount Received to Date	Use of Funds	Program	How Allocated	Jobs Impact	Economic Impact	Social Impact	Reporting Requirements
Public Works	\$ 10,000,000		\$ 11,279,083	\$ 4,261,605	Vasco Road Safety Improvements Project	Local Streets and Roads (LS&R) System Preservation (Surface Transportation Program (STP))	Metropolitan Transportation Commission	ARRA provides funding that would otherwise not be available to construct this improvement. The development and construction of this project will allow the employment of local administrative staff, engineers, technicians, inspectors, construction contractors, carpenters, material providers, equipment providers, equipment operators, etc. as expected of a typical capital improvement project. These jobs would not otherwise have benefited if not for this additional funding.	ARRA funding provides the creation or security of jobs that would otherwise not have been available. The influx of funding has a positive impact on the economy through the employment of workers.	This project will provide improvements to address safety concerns due to cross median collisions. The connection of a southbound passing lane aims to reduce the number of merges that drivers need to consider. The motoring public will benefit from these improvements on this heavily traveled commute corridor. The project hopes to reduce travel delays caused by accidents, allowing reduced travel times for the daily commuter. Less time on the road can translate to a positive social impact as well as a positive environmental impact, such as the reduction of greenhouse emissions.	Federally funded projects are processed through the State Department of Transportation (Caltrans) Local Assistance Office. The County is very familiar with the Caltrans process, as the County receives federal funds on a regular basis. The Caltrans Office of Local Assistance has very specific processing and reporting requirements as detailed in the Local Assistance Procedures Manual. Reporting requirements for ARRA will be more involved than the typical federally funded project. ARRA has a stated goal of improving transparency and accountability at all levels of government. Therefore, in addition to the normal reporting requirements, ARRA funding will require the local agency to play a role alongside the state and the Federal Highway Administration to report the completion status of projects, estimate the jobs created and the jobs retained. Other reports provided by the state and FHWA include the dollars, appropriated, allocated, obligated and outlayed, the number of projects out to bid, awarded, work that has begun and completed, the number of direct and indirect jobs, aggregate expenditure of state funds, project description, estimated total cost, amount of covered funds used, etc.
	\$ 2,762,000		\$ 1,945,770	\$ 1,945,770	Vasco Road Overlay	Local Streets and Roads (LS&R) System Preservation (Surface Transportation Program (STP))	Metropolitan Transportation Commission	ARRA provides funding that would otherwise not be available to construct this improvement. The development and construction of this project will allow the employment of local administrative staff, engineers, technicians, inspectors, construction contractors, carpenters, material providers, equipment providers, equipment operators, etc. as expected of a typical capital improvement project. These jobs would not otherwise have benefited if not for this additional funding.	ARRA funding provides the creation or security of jobs that would otherwise not have been available. The influx of funding has a positive impact on the economy through the employment of workers.	This project will provide improvements to address safety concerns due to cross median collisions. The connection of a southbound passing lane aims to reduce the number of merges that drivers need to consider. The motoring public will benefit from these improvements on this heavily traveled commute corridor. The project hopes to reduce travel delays caused by accidents, allowing reduced travel times for the daily commuter. Less time on the road can translate to a positive social impact as well as a positive environmental impact, such as the reduction of greenhouse emissions.	Federally funded projects are processed through the State Department of Transportation (Caltrans) Local Assistance Office. The County is very familiar with the Caltrans process, as the County receives federal funds on a regular basis. The Caltrans Office of Local Assistance has very specific processing and reporting requirements as detailed in the Local Assistance Procedures Manual. Reporting requirements for ARRA will be more involved than the typical federally funded project. In addition to the normal reporting requirements, ARRA funding will require the local agency to play a role alongside the state and the Federal Highway Administration to report the completion status of projects, estimate the jobs created and the jobs retained. Other reports provided by the state and FHWA include the dollars, appropriated, allocated, obligated and outlayed, the number of projects out to bid, awarded, work that has begun and completed, the number of direct and indirect jobs, aggregate expenditure of state funds, project description, estimated total cost, amount of covered funds used, etc.
Sheriff's Office	If fully funded, would provide approximately \$7.5 M over 3 years, requiring a local match of about \$1.5 million and requiring the County to sustain the funding in the fourth year.		\$ -	\$ -	To fund 20 Deputy Sheriff positions. NOT AWARDED.	COPS (Community Oriented Policing Services)	\$1 B nationwide. Allocated competitively. Two kinds of grants: Sponsored/Targeted Grants consist of Methamphetamine, Safe Schools Initiative and Technology programs. Discretionary/Non-Targeted Grants consist of Cops In Schools, Homeland Security Overtime Program, MORE, Interoperability, Secure Our Schools, Tribal and Universal Hiring programs. Apply directly to DOJ, COPS Office for grants.				
	\$ 66,767		\$ 66,767	\$ 50,866	Multi-jurisdictional methamphetamine enforcement team grant that pays for overtime costs associated with deputy sheriffs' investigation of drug activity and arrests. This is just the Sheriff's Office share of the grant.	CAIEMA - funded through Recovery Act - Edward Byrne Memorial Justice Assistance Grant Program (JAG)	100% allocation of grant.	Offsets some overtime costs for narcotic enforcement.	ARRA provides funding for enforcement activities on an overtime basis, that would otherwise not have been available.	The goal of the grant program is to target methamphetamine manufacturers and traffickers who produce or sell significant quantities of methamphetamine, including precursor trafficking, to disrupt and dismantle their clandestine labs and organizations; to incarcerate those responsible.	Monthly Job Data Collection Sheet - reporting number of overtime hours. Quarterly Financial Status Reports, Quarterly Bureau of Justice Assistance (BJA) Performance Reports.
	\$ 299,535		\$ 299,535	\$ 68,800	Grantees may utilize Recovery JAG funds for state and local initiatives, technical assistance, training, personnel, equipment, supplies, contractual support, and information systems for criminal justice, as well as research and evaluation activities. To be split with the District Attorney.	Edward Byrne Memorial Justice Assistance Grant (JAG) Program	Once the state funding is calculated, 60 percent of the allocation is awarded to the state and 40 percent to eligible units of local government. States also have a variable percentage of the allocation that is required to "pass through" to units of local government. This amount, also calculated by BJS, is based on each state's crime expenditures. Additionally, the formula calculates direct allocations for local governments within each state, based on their share of the total violent crime reported within the state.	Partial funding of 1 deputy sheriff for 1 year, and partial funding of 1 deputy DA for 2 years.	ARRA funding provides the creation or security of jobs that would otherwise not have been available.	The grant will fund both sworn law enforcement and criminal justice personnel positions allowing for job retention and creation. These efforts will enhance and improve current law enforcement operations.	Quarterly, Federal Reporting Gov, Bureau of Justice Assistance (BJA) Performance Reports; Financial Status Reports.

Employment & Human Services Department
Estimated Funding Increase from The American Recovery and Reinvestment Act of 2009

	Expected Amount	Amount Rec'd to Date	Program Name	How Allocated	Job Impact	Economic Impact	Social Impact	Reporting Requirements	Proposed Use of Funds	
Aging & Adult Services Bureau										
Nutrition Program	\$ 268,922	\$ 268,922	ARRA Home Delivered Meals and Congregate Meals	Grant Award	Create three part-time limited term outreach workers	Backfill General Fund reduction and serve additional meals	Creating culturally appropriate outreach materials	Monthly Claims	For meals, equipment, and outreach to increase client participation	Leona Hartmann - 3-164
IHSS	\$ 3,607,141	\$ 2,152,353	ARRA In Home Supportive Services (IHSS)	Formula through the State claim	none	Disabled and elderly in the community will be able to remain in their home at a lower cost than a facility	Disabled and elderly in the community will be able to remain in their home instead of going into a facility for care	Quarterly Claiming to the State.	Additional revenues due to increased FMAP effective October 1, 2008 through December 31, 2010, to offset County GF reduction.	Deborah Elite 3-1666
	\$ 3,876,063	\$ 2,421,275								

Children & Family Services Bureau										
Adoptions Assistance	\$ 1,325,712	\$ 1,074,210	Federal Adoptions Assistance	Formula allocation calculated by State DCSS	none	Reduces CGF share by \$201,334. (\$604,015 ARRA revenue replaces reduction in State share.)	Provides continuity for adoptive services and placements.	Monthly claim submitted by 20th day.	Additional revenues due to increased FMAP effective October 1, 2008 through December 31, 2010, to offset County GF reduction.	Jennifer Posedel 3-1673
Foster Care	\$ 1,282,998	\$ 938,146	Federal Foster Care Assistance Title IVE	Formula allocation calculated by State DCSS	none	Reduces CGF share by \$408,754. (\$272,662 ARRA revenue replaces reduction in State share.)	Provides continuity for 24-hour non-medical care to Foster children.	Monthly claim submitted by 20th day.	Additional revenues due to increased FMAP effective October 1, 2008 through December 31, 2010, to offset County GF reduction.	Jennifer Posedel 3-1673
Targeted Case Management	\$ 315,464	\$ 203,229	Medicaid Title XIX Targeted Case Management	Existing Federal program with 11.59% FMAP increase.	none	Reduces CGF share to zero or near zero, depending on year, TCM rate, other funding.	Provides home-based case management to at risk families for their 1st baby born at local hospitals.	Quarterly billing submitted to Medi-Cal.	Additional revenues due to increased FMAP effective October 1, 2008 through December 31, 2010, to offset County GF reduction.	Candace Flint 3-1753
	\$ 2,924,174	\$ 2,215,585								

Community Services Bureau										
Head Start/Early Head Start	\$ 1,132,758	\$ 1,131,779	ARRA COLA & QI	Grant Award	Provide employment to instructors, Comprehensive Services Manager, consultant, and Mental Health Clinical Intern.	Provides staff training and development, facility upgrades, hire training consultants.	Better trained staff results in children better prepared for school.	Quarterly	Facility upgrades, additional staff, expand collaboration with CBOs. Costs reimbursable after July 1	Vickie Kaplan - 3-1615
Early Head Start Expansion	\$ 2,733,739	\$ 793,500	EHS ARRA Expansion	Grant Award	Provide employment to Comprehensive Services Manager, Assistant Managers, Home Educators, and clerical staff.	Provides staff training and development, facility upgrades, hire training consultants.	Provides 170 infant/toddler slots and family-centered services that promote the development of very young children, assist pregnant women to access prenatal and post partum care, and provide resources to address the needs of low-income pregnant women.	Quarterly	Facility upgrades, additional staff, expand collaboration with CBOs. Costs reimbursable after July 1	Vickie Kaplan - 3-1615
Early Learning Mentor Coaches	\$ 225,000	\$ 568	ARRA Early Learning mentor Coaches	Grant Award	Four (4) mentor coaches and twelve (12) protegees.	Provide individualized coaching and mentoring to twelve (12) future mentors.	Mentees receive individualized training on positive climate in the classroom and in providing positive social and emotional environment.	Quarterly	One (1) mentor coach for three (3) protegees.	Vickie Kaplan - 3-1615

Employment & Human Services Department
Estimated Funding Increase from The American Recovery and Reinvestment Act of 2009

	Expected Amount	Amount Rec'd to Date	Program Name	How Allocated	Job Impact	Economic Impact	Social Impact	Reporting Requirements	Proposed Use of Funds	
Child Development	\$ 83,333	\$ 4,800	ARRA Child Care and Development Block Grant, Quality Repair and Renovation	Contract Allocation based on current funding level	Create/retain 1 job	This focuses on the improvement and retention of qualified childcare staff in childcare programs	Better trained staff results in children better prepared for school.	Annual & Monthly reports	Facility upgrades. Work requests for 13 childcare facilities are being processed by GSD. Costs reimbursable after July 1	Ressie Dayco - 3-1741
Community Services Block Grant	\$ 1,135,085	\$ 1,135,085	CSBG ARRA	Formula allocation calculated by State CSD	Create 186 new jobs	Funds approx. \$1 M to CBO's in employment-related services	Expand collaboration with various CBO's that serve low-income residents	Annual & Bi-monthly reports	Sub-contract employment-related services to various CBO's. Costs reimbursable after July 1	Sam Mendoza - 3-1619
Department of Energy	\$ 3,452,979	\$ 1,468,359	ARRA DOE Weatherization Assistance Program	Formula allocation calculated by State CSD	Create 6 new jobs	Weatherize approx. 676 dwelling units of low income residents	Converts low-income dwelling units into energy-efficient units.	Annual & Monthly reports	Additional staff, expand collaboration with Building Inspection to increase weatherization assistance to eligible county residents. Costs reimbursable after July 1	Sam Mendoza - 3-1619
	\$ 8,762,894	\$ 4,534,091								

Workforce Development Board

Adult	\$ 1,095,358	\$ 704,336	ARRA Adult Formula	Formula Allocation	Provide employment and training services in order to ready low income and targeted populations with skills to compete in any job.	Assist 50% more low income CC County residents through One-Stop Career Centers and other existing workforce partners.	Low income individuals will be engaged in meaningful job-related activities and become more equipped with skills for self sufficiency	Monthly	Training and career guidance services for individuals who have not had regular and/or recent attachment to the workforce; eligible individuals often have entry-level job skills	Rhonda Scott 3-1706
Youth	\$ 2,511,927	\$ 2,379,965	ARRA Youth Formula	Formula Allocation	Over 80% of funds were used to employ 1,000 youth during summer 2009; more than 570 youth placed in jobs in 2010 thanks to leveraged funds with CSBG and TANF.	Approximately \$1 million was paid out into youth wages in summer 2009, much of which went into the local economy.	Youth will be work ready and equate learning with earning as they either continue education and training or seek future employment. Also, there is a documented link between youth employment and lower crime rates.	Monthly	Subsidized employment for low-income youth from high-risk environments; work-readiness/work-maturity and staff-assisted support with employment and related issues	Rhonda Scott 3-1706
Dislocated Worker	\$ 2,719,629	\$ 1,410,800	ARRA Dislocated Worker Formula	Formula Allocation	Provide employment and training services to those who have lost their jobs. Expedite rehiring by building on existing skills and aligning training with industries most likely to hire & remain viable.	Assist twice as many CC County residents through One-Stop Career Centers and other existing workforce partners. Some participants may seek to start their own small business enterprise.	Participants will be engaged in meaningful employment activities in order to retool existing skills sets for future marketplace. One-Stop Career Centers give struggling residents a place to go to find employment assistance.	Monthly	Training and career guidance services for individuals who have been displaced from previous employment and are in career transition	Rhonda Scott 3-1706
Rapid Response	\$ 410,052	\$ 170,796	ARRA Rapid Response Formula	Formula Allocation	Address both job seekers who continue to be displaced; assist struggling businesses to ensure retention of jobs in region.	Varies by level of activity (layoffs) and requests for assistance	Informs individuals soon-to-be displaced from employment of available public resources, including Unemployment Insurance (UI), One-Stop Career Center services, and other resources	Monthly	Front-line response to businesses and their impacted (laid-off) workforce; expecting substantial outlay of resources to address N UMMI layoffs; State of California Employment Development Department (EDD) is a primary partner	Rhonda Scott 3-1706

Employment & Human Services Department
Estimated Funding Increase from The American Recovery and Reinvestment Act of 2009

	Expected Amount	Amount Rec'd to Date	Program Name	How Allocated	Job Impact	Economic Impact	Social Impact	Reporting Requirements	Proposed Use of Funds	
SSA Title V	\$ 202,264	\$ 201,960	ARRA Title V	Contract	Add 19 new training slots with potential for more job placements	Individuals have more funding to put into the economy	Older individuals stay healthier when engaged in work environment and may draw down fewer public services	Monthly	Employment & training activities for low-income individuals from age 55 and above; subsidized work experience in public and nonprofit organizations is a primary activity	Rhonda Scott 3-1706
Adult 15% RICO	\$ 200,000	\$ 30,425	ARRA Adult RICO	Formula Allocation	Provide employment and training services in order to ready low income and targeted populations with skills to compete in any job.	Assist 50% more low income CC County residents through One-Stop Career Centers and other existing workforce partners.	Low income individuals will be engaged in meaningful job-related activities and become more equipped with skills for self sufficiency	Monthly	Training and career guidance services for individuals who have not had regular and/or recent attachment to the workforce; eligible individuals often have entry-level job skills	Rhonda Scott 3-1706
Rapid Response Add'l Assist	\$ 551,716	\$ 1,048	ARRA Rapid Response Formula	Formula Allocation	Address both job seekers who continue to be displaced; assist struggling businesses to ensure retention of jobs in region.	Varies by level of activity (layoffs) and requests for assistance	Informs individuals soon-to-be displaced from employment of available public resources, including Unemployment Insurance (UI), One-Stop Career Center services, and other resources	Monthly	Front-line response to businesses and their impacted (laid-off) workforce; expecting substantial outlay of resources to address N UMMI layoffs; State of California Employment Development Department (EDD) is a primary partner	Rhonda Scott 3-1706
	\$ 7,690,946	\$ 4,899,329								

Workforce Services Bureau										
	Expected Amount	Amount Rec'd to Date	Program Name	How Allocated	Job Impact	Economic Impact	Social Impact	Reporting Requirements	Proposed Use of Funds	
Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) - Subsidized Employment & Training (SET)	\$ 6,655,903	\$ 6,655,903	TANF Emergency Contingency Fund (ECF) Subsidized Employment (SE)	80% of spending in subsidized employment	Provide employment and training services to provide low income and targeted populations with skills to be competitive in the job market	Assist approximately 1,000 low-income residents by placing them at worksites throughout Contra Costa County	Low income individuals will be engaged in meaningful job-related activities and become more equipped with skills for self sufficiency	Quarterly	Training, career guidance, and work placement services for individuals who have not had regular and/or recent attachment to the workforce; eligible individuals often only have entry-level job skills	Leslie Gutierrez - 3-1652 Rose Aquino - 3-1726
Temporary Assistance for Needy Families (TANF) Emergency Contingency Fund (ECF) - Non-Recurrent Short Term Benefits	\$ 2,068,866	\$ 2,068,866	TANF Emergency Contingency Fund (ECF) Non-Recurrent Short Term Benefits (NRSTB)	80% of increased spending in basic assistance for existing activities and 80% of expenditures on new activities	Provide services to meet non-recurrent short-term needs of low-income individuals in Contra Costa County	Assist approximately 14,000 low-income clients by providing non-recurrent short-term services in partnership with local agencies	Non-recurrent short-term needs are met through a variety of service providers strengthening community partnerships	Quarterly	Non-recurrent short-term needs that deal with a specific crisis situation or episode of need not to exceed beyond four months	Leslie Gutierrez - 3-1652 Rose Aquino - 3-1726