



Chair
Supervisor James Ramos
Executive Director
Jolena L. Voorhis

1100 "K" Street, Suite 101/Sacramento, CA 95814/ (916) 327-7531 FAX (916) 491-4182/UCC@urbancounties.com

UCC Board of Director's Meeting Summary April 5, 2017

Alameda:	Amelia Lopez (Alternate), Ludmyrna Lopez
Contra Costa:	Supervisor Federal Glover
Los Angeles:	Donna Seitz
Orange:	Kelley Jimenez-Lee (Alternate), Peter DeMarco, Nicole Wordelman
Riverside:	Supervisor Chuck Washington, Jeff Comencher
Sacramento:	Supervisor Susan Peters
San Bernardino:	Josh Candelaria (Alternate), Nicole Wordelman
San Diego:	Geoff Patnoe (Alternate)
San Francisco:	
San Mateo:	
Santa Clara:	Supervisor Ken Yeager, Kieran Kelly, Michael Rattigan
Ventura:	Supervisor Kelly Long, Nicole Wordelman
UCC	Jolena Voorhis, Grace Childs-Ferguson

I. Call to Order

UCC Supervisor Peters convened the meeting and called the members to order.

II. Roll Call of Counties

There were 5 Supervisors, 4 alternates and 10 counties represented at this meeting.

III. Approval of Minutes from the March 9, 2017 UCC Board Meeting – HELD OVER

The approval of the minutes was held over until next month's meeting due to Chair and Vice Chair being absent.

IV. Items for Consideration

1) Budget Update -CCI IHSS MOE Update on Negotiations

Staff provided a memo on the latest information on the CCI Repeal and IHSS MOE.

Memo:

The Governor's Budget repealed the CCI and also repealed the IHSS MOE which capped county costs at the 2011-12 rates for IHSS. With the repeal, counties will revert back to the

Board of Directors: **Chair:** Supervisor James Ramos, San Bernardino County **Vice Chair:** Supervisor Carole Groom, San Mateo County **Treasurer:** Emily Harrison, Finance Director, Santa Clara County; **Members:** Supervisor Keith Carson, Alameda County; Supervisor Federal Glover, Contra Costa County; Supervisor Mark Ridley-Thomas, Los Angeles County; Supervisor Lisa Bartlett, Orange County; Supervisor Chuck Washington, Riverside County; Supervisor Susan Peters, Sacramento County; Supervisor Bill Horn, San Diego County; Supervisor (Vacant), San Francisco County; Supervisor Ken Yeager, Santa Clara County; Supervisor Kelly Long, Ventura County

sharing ratios established before the IHSS MOE which requires counties to pay 35% share of the non-federal of costs for IHSS. It is anticipated that the fiscal impact would be \$623 million beginning in July 2017. UCC is strongly opposed to this cost shift, and will work with our county partners to negotiate with the state on alternatives or ways to mitigate this significant cost shift.

The Assembly Budget Hearing conducted on March 8, 2017, proposed an alternative to the Governor's action, however the alternative has been postponed for a vote-only on March 29, 2017.

Negotiations between counties and the Administration have been moving rapidly with several meetings a week and discussion with the CSAC Technical Working Group. The first step in the negotiations has been to agree upon the numbers for the fiscal impact on all 58 counties. In the attachments you will find the urban county numbers as provided by the Administration and currently being confirmed by county staff.

Once the numbers are agreed upon the negotiations will move to deciding on a lower number for the May Revise. Finance has agreed that the number should be lower but counties are still in preliminary stages of proposing a lower number. It is important to note that the county-by-county numbers were provided by the Department of Finance and that they used a statewide escalator of 3.8%, so if your county had a higher caseload increase or decrease the county number may seem lower or higher depending on that calculation. Staff will provide more information on negotiations at the Board meeting.

Staff noted that negotiations continue with the Administration on a framework. UCC's efforts are focused on minimizing impacts to the County General Fund, minimizing funding impacts to non-IHSS programs in the 1991 Realignment, and providing for future growth opportunities for 1991 Realignment programs. Time remains short but the Administration has agreed that we need to lower the number and provide a long-term solution.

The Assembly Budget Subcommittee #1 adopted the alternative proposal on March 29, 2017, after taking testimony. While UCC did not officially support we indicated the appreciation for the backstop.

Transportation Funding Update

Staff provided a memo regarding the latest information on the Transportation Funding Package.

Memo:

One of UCC's priorities is to support additional funding for transportation. Specifically, UCC is in support of SB 1 (Beall), and AB 1 (Frazier), which provides \$2.4 billion for transportation funding including an equal share between the state and local roads for maintenance.

The Governor and the Democratic Legislative leadership have been in negotiations over the past two weeks regarding a compromise package which is tentatively looking at a total of \$5

billion instead of the \$6 billion in the two legislative bills. This compromise is expected to be placed in a new bill and will likely not include the return of \$500 million in truck weight fees, or additional funding for transit, which is funded through Cap and Trade revenues. In addition, the package will not include a special registration fee for zero emission vehicles, and the registration fee increase on all vehicles will fall between the \$38 fee in SB 1 and AB 1 and the Governor's proposed increase of \$65.

The Governor's Office continues to apply pressure on legislators to pass the Transportation Funding by April 6, 2017, and the Fix Our Roads Coalition continues to hold press conferences around the state to continue the pressure to pass this funding.

Compromise Proposal

The compromise proposal was announced on March 29, 2017. The legislation, the Road Repair and Accountability Act of 2017, SB 1 (Beall), invests \$52.4 billion over the next decade – split equally between state and local investments:

Fix Local Streets and Transportation Infrastructure (50 percent):

- \$15 billion in "Fix-It-First" local road repairs, including fixing potholes.
- \$7.5 billion to improve local public transportation.
- \$2 billion to support local "self-help" communities that are making their own investments in transportation improvements.
- \$1 billion to improve infrastructure that promotes walking and bicycling.
- \$825 million for the State Transportation Improvement Program local contribution.
- \$250 million in local transportation planning grants.

Fix State Highways and Transportation Infrastructure (50 percent):

- \$15 billion in "Fix-it-First" highway repairs, including smoother pavement.
- \$4 billion in bridge and culvert repairs.
- \$3 billion to improve trade corridors.
- \$2.5 billion to reduce congestion on major commute corridors.
- \$1.4 billion in other transportation investments, including \$275 million for highway and intercity-transit improvements.

Ensure Taxpayer Dollars Are Spent Properly with Strong Accountability Measures:

- Constitutional amendment to prohibit spending the funds on anything but transportation.
- Inspector General to ensure Caltrans and any entities receiving state transportation funds spend taxpayer dollars efficiently, effectively and in compliance with state and federal requirements.
- Provision that empowers the California Transportation Commission to hold state and local government accountable for making the transportation improvements they commit to delivering.
- Authorization for the California Transportation Commission to review and allocate Caltrans funding and staffing for highway maintenance to ensure those levels are reasonable and responsible.

- Authorization for Caltrans to complete earlier mitigation of environmental impacts from construction, a policy that will reduce costs and delays while protecting natural resources.

It is expected that a vote will be taken in both houses on April 5 and 6th.

Staff will provide an update at the Board meeting.

Update: SB 1 (Beall) has the new compromise language agreed to by the Administration, the Speaker and the Pro-Tem. This bill was heard in Senate Appropriations and Assembly Transportation on April 3, 2017, with the Governor presenting the bills along with Brian Kelly and Senator Beall. UCC testified in support of the bill at those hearings. SB 1 was amended in committee. It is important to note that this will provide \$3 billion annually to cities and counties for roads – with a focus on fix-it first.

The amendments deal with commercial truck replacement and retrofit issues, however, those amendments may not address concerns by the environmental community.

2) Other Emerging or Continuing Legislative Issues

a) ACA Repeal and Replace Update

Staff provided a memo on the ACA Repeal and Replace Update.

The American Health Care Act proposed by the Republicans was pulled from a vote on March 23, 2017, after negotiations broke down amongst the Republican caucus. After that occurred, President Trump indicated that another vote would not be conducted and that they were moving on to tax reform.

So while the repeal and replace is shelved for now, there are a couple of issues to be aware of related to the Affordable Care Act:

- Insurance Markets. Health plans have asked for assurances regarding the continuation of the state exchanges to plan for next year to decide whether to continue coverage. Concerns have also been raised related to high premiums in some states.
- Taxes. Concern from some sectors about the penalty for no health insurance and there could be a move to change that penalty.
- Federal Rules. With new appointees at Center for Medicaid Services and the Health Agency, there could be a roll-back on regulations or a change made to agreements previously held between states and the federal government.

There are also reports that the Republicans are looking at a Plan B, and staff will provide an update at the Board meeting.

Staff provided an update that the AHCA was pulled from a vote. There is still talk of a Plan B but with the other large votes looming on the Supreme Court nomination, it is unclear whether a vote will take place soon.

b) Legislative Update

Staff provided a list of bills that UCC has taken a position on. There a couple of bills to bring to your attention:

AB 1333 (Dababneh) – Elections

Requires local governments to post on their home page within 7 days of approving a county initiative or bond issuance and also requires posting notice in a county newsletter.

UCC Position: Oppose.

AB 1350 (Friedman) – Land use: housing element: regional housing need

This bill would require a city or county in not in compliance with the housing element to pay a penalty to HCD. Once the penalty is paid they will be deemed as in compliance. The bill would define a "noncompliant city or county" to mean a city or county that has not met at least 1 /3 of its share of the regional housing need for low-income and very low income housing during its current housing element planning period on or before January 1, 2021.

Status: Amended on March 29, 2017.

UCC Position: Oppose.

AB 1436 (Levine) – County highways

This bill would change the current law which allows a county Board of Supervisors by resolution adopted by 4/5 vote to determine that specified activities relating to streets are of general county interest. This would change the vote requirements to 3/5.

Status: Amended on March 29, 2017.

UCC Position: Pending.

SCA 11/SB 691(Lara) – Elections: Nonpartisan offices

SCA 11(Lara), would change city, county and schools from non-partisan offices to partisan offices. This measure would place this on the ballot for voters to approve or reject this change. SB 691 (Lara), is the companion statutory bill, which would make the same changes in statute.

Under the California Constitution, cities, counties, schools, the Superintendent of Public Instruction and judicial offices are non-partisan. While part of this section of the Constitution was changed in 2010 (Proposition 14), that only added the Superintendent of Public Instruction to the list of non-partisan offices.

Background

In 2010, the California Top Two Primaries Act (Proposition 14) passed with 54% of the vote, and California has used this system to conduct all statewide and congressional elections since 2012. Since the open primary was approved by the voters, local elections in California have not been considered partisan. Instead all elections except for the President are conducted with the goal of selecting the top two candidates. County elections are non-partisan and county supervisors are not required to note their party affiliation.

Board of Directors: Chair: Supervisor James Ramos, San Bernardino County **Vice Chair:** Supervisor Carole Groom, San Mateo County **Treasurer:** Emily Harrison, Finance Director, Santa Clara County; **Members:** Supervisor Keith Carson, Alameda County; Supervisor Federal Glover, Contra Costa County; Supervisor Mark Ridley-Thomas, Los Angeles County; Supervisor Lisa Bartlett, Orange County; Supervisor Chuck Washington, Riverside County; Supervisor Susan Peters, Sacramento County; Supervisor Bill Horn, San Diego County; Supervisor (Vacant), San Francisco County; Supervisor Ken Yeager, Santa Clara County; Supervisor Kelly Long, Ventura County

The author's staff detailed the reason for this change was to ensure that the voters had information about local offices and that many voters in Senator Lara's district did not know that much about their local elected officials. By providing the party affiliation, it was argued by the staff that this measure would provide additional transparency for voters and that it should be up to voters to decide if they would like this change.

According to the National Association of Counties (NACO), the number of states where counties hold non-partisan elections has risen since 1991 and the last survey conducted in 2008 showed that the number of states with all non-partisan local offices had increased from 6 to 8 and the number of states with a mixture of partisan and non-partisan counties has risen from five to eight. However, it should be noted that 33 states have partisan elections at the local level.

Pros:

- Provides voters with additional information regarding their local elected officials.
- Makes it easier for voters to know party affiliation about local elected officials.

Cons:

- Could make local offices more partisan in nature which could reduce their efficiency and effectiveness.
- No specific issue or reason for this change has been provided other than voter information and transparency.
- Information about local candidates is readily available on-line for all voters to access.

Staff Recommendation:

Oppose. There has not been sufficient evidence to provide a need for this change. Counties have operated as non-partisan bodies for several decades and work well under this model.

Staff noted that this bill is scheduled for hearing on April 18th. RCRC will be presenting it to their Board at their next meeting, and the League of California Cities is opposed.

Supervisor Washington said these bills were bad for counties. Supervisor Yeager said he was conflicted, because voters do not know much about candidates, so this provides some information which holds value, but can also see the political parties perspective. Supervisor Ramos said his Board is worried that if they interjected, it's going to make it difficult to put aside partisan viewpoints. Supervisor Peters offered strong direction to oppose the bill. A motion was originally made by Supervisor Washington to Oppose the bill, however, no adoption was made due to a lack of a Chair or Vice-Chair, and Supervisor Peters suggested bill not be adopted at this time, but to direct staff to oppose the bill so staff can move forward and continue to work on it.

An advisory vote was made to direct staff to oppose which passed _____.

What was the vote count?

Board of Directors: **Chair:** Supervisor James Ramos, San Bernardino County **Vice Chair:** Supervisor Carole Groom, San Mateo County **Treasurer:** Emily Harrison, Finance Director, Santa Clara County; **Members:** Supervisor Keith Carson, Alameda County; Supervisor Federal Glover, Contra Costa County; Supervisor Mark Ridley-Thomas, Los Angeles County; Supervisor Lisa Bartlett, Orange County; Supervisor Chuck Washington, Riverside County; Supervisor Susan Peters, Sacramento County; Supervisor Bill Horn, San Diego County; Supervisor (Vacant), San Francisco County; Supervisor Ken Yeager, Santa Clara County; Supervisor Kelly Long, Ventura County

Urban County Sponsored Bills

Staff provided a handout of the Urban County Sponsored Bills.

c) Workplan

Staff provided an updated version of the UCC Workplan.

V. Proposals for Next Month's Meeting Agenda

- 1) State Budget
- 2) Homelessness
- 3) Legislative Update
- 4) UCC Proposed Budget 2017-18 – **ACTION ITEM**

VI. Public Comment

There were no public comments made.

VII. The next meeting will be held in person, in conjunction with the CSAC Conference in Sacramento, on May 17, 2017. There will be no conference call line available.