



Established in 1991, UCC serves as the representative voice for state legislative advocacy for high-population counties in California. Initially composed of seven counties, the association has grown to 14 today. Just over 80 percent of the state's population reside in UCC counties. Consequently, urban counties carry out critical programs and services to the state's most vulnerable populations. For more information, including details on our Board of Directors, please visit [our website](#).

April 5, 2023

HCD Kicks-Off RHNA Reform Process with Survey, Working Group

The California Department of Housing and Community Development (HCD) is soliciting ideas and input from the public for ways to improve the 7th cycle Regional Housing Needs Allocation (RHNA) process and address California's housing shortage. This survey is a component of HCD's broader stakeholder engagement for the California's Housing Future 2040: The Next RHNA initiative.

AB 101 (Committee on Budget, 2019) requires HCD and the Governor's Office of Planning and Research to engage stakeholders and report to the legislature by December 31, 2023 on changes to the RHNA process to streamline housing development, while also promoting infill and protecting agricultural and environmental resources. Despite infrastructure limitations in unincorporated communities, counties have been often asked to accommodate disproportionately high shares of planned regional growth. UCC will be represented on the "sounding board" group that HCD has convened to help develop and refine its recommendations to the Legislature, while the survey is an opportunity for individual counties to share their feedback on the current RHNA process.

The [survey](#) is organized by five topic areas identified as priorities and should take approximately 10-15 minutes to complete. After the survey closes, HCD will summarize and analyze the responses gathered by the survey. HCD will utilize the survey responses to inform HCD's recommendations for improving the RHNA process and methodology but will not respond to each survey response. The deadline to participate is May 5, 2023.

Governor Meets State of State Address Requirement via Letter in Follow-up to Swing through State

As we noted in a previous update, the Governor conducted a multi-city tour in mid-March where he addressed various high-profile policy priorities – homelessness and housing, affordable prescriptions drugs, jobs and economic development in the Lithium Valley, reimagined

rehabilitative programming at San Quentin Prison and, finally, a proposed 2024 ballot measure to reform the Mental Health Services Act (MHSA) and seek bond funding to support housing and behavioral health treatment capacity. Under the California Constitution, the Governor is responsible for “reporting to the Legislature each calendar year on the condition of the State and may make recommendations,” which typically is satisfied through the State of the State address. This year, the Governor satisfied that requirement through this [letter](#) transmitted to the Legislature immediately following his swing through the state.

Additional Homekey Funds Available

On March 29, Governor Newsom and the California Department of Housing and Community Development (HCD) [announced](#) the availability of \$736 million for the latest round of Homekey. Homekey makes funds available for local governments to acquire, develop, and rehabilitate a broad range of housing types, including but not limited to hotels, motels, hostels, single-family homes, multifamily apartments, adult residential facilities, and manufactured housing, and to convert commercial properties and other existing buildings to permanent or interim housing for those most in need.

According to the Newsom Administration, Homekey has created 12,774 permanent and interim homes through 210 projects to date. Due to the previous oversubscription of Homekey, eligible applicants are encouraged to submit their completed application as soon as possible. HCD will accept applications on a continuous, over-the-counter basis from the release of the Homekey NOFA through **July 28, 2023, or until the available funds are exhausted**, whichever occurs first.

Additional information can be found on the [Homekey website](#).

Webinar Offers Additional Details on Governor’s Proposed 2024 Ballot Measure to Reform MHSA and Expand Behavioral Health and Housing Capacity

On March 29, representatives from the California Health and Human Services Agency (CalHHS) and the Department of Health Care Services (DHCS) hosted a webinar to share more information about the Governor’s plan to pursue a November 2024 ballot measure to modernize the Mental Health Services Act (MHSA) and to seek bond funding to both expand behavioral health treatment capacity as well as offer new housing options with a particular focus on homeless veterans.

The webinar (see [slides](#) here) was organized in five parts and generally confirmed the details we reported in our update of March 24:

- Introduction and context – slides 2 and 3
- Elements of general obligation bond – slides 5 and 6
- Proposed revisions to MHSA – slides 8 through 16
- Improved statewide accountability measures and access to behavioral health services – slides 18 through 20
- Next steps – slide 22

There was interesting engagement between state officials and public participants in the webinar during the question-and-answer period. As one example, in response to a question regarding the characteristics of the new behavioral health facilities conceived under the proposed bond, the state made clear that these would be unlocked, community-based facilities. The intention is to

ensure that models from the past (i.e., institutional settings) are not replicated; instead, the state is looking to build out safe, rehabilitative environments that help transition individuals with behavioral health treatment needs from intensive care to other types of settings to allow for time to heal. These will be voluntary, high-quality settings that will prepare a recovery pathway for those in treatment, including transition to permanent supportive housing.

Additionally, when asked to estimate the number of facilities in total and the number of facilities by each setting type (1. Multi-property, campus settings; 2. Cottage settings; and 3. Home settings – i.e., permanent supportive housing or scattered sites) that would be built through bond proceeds, the state indicated it was still giving thought to those questions. State officials consistently hear from communities across the state that they need more behavioral health treatment options, especially to address the needs of those who are transitioning from one level of care to another so that is how the bond – broadly speaking – will be focused.

No specific language – beyond the more detailed outline of the Governor’s proposed ballot measure as presented in the webinar slides – has yet to surface. With a November 2024 ballot timeline, the Administration is not under immediate pressure to unveil a specific statutory approach. We do anticipate that the effort to modernize the MHSA and seek bond funding for treatment and housing capacity will be achieved through the legislative rather than signature gathering process. In the meantime, the Administration appears open to feedback and questions. We will continue to keep you apprised of information and opportunities to provide specific input in the days and weeks ahead.

Governor Signs SBX1 2 (Skinner); Houses Adjourn Special Session on Oil Windfall Profits

On March 28, following the bill’s approval by the full Senate and Assembly, the Governor signed [SBX1 2](#) (Skinner) into law. As we reported previously, this measure contains the agreement between the Governor and legislative leaders as to how to address California’s high gas prices and represents the full body of work in the special session called by the Governor last fall. Specifically, the bill does all of the following:

- Creates a new independent watchdog within the California Energy Commission (CEC). The new commission is charged with monitoring California’s petroleum market on a daily basis to ensure market participants conduct themselves appropriately. The watchdog will have authority to subpoena oil companies for data and records to reveal patterns of misconduct or price manipulation and authority to refer violations of law to the Attorney General for prosecution.
- Authorizes the CEC to set a price gouging penalty via a public rulemaking process by imposing a civil penalty on refiners that charge more than a maximum allowable margin for the price of gasoline.
- Enhances the state’s authority to examine California’s higher than average gas prices and enforce reporting requirements on the oil industry.

Both houses of the Legislature have now closed the extraordinary session. Consistent with the rules governing extraordinary sessions, SBX1 2 will go into effect 91 days (June 26, 2023) following the formal closure of the special session.

Legislature Returns from Spring Break to Face Two Imminent Hearing Deadlines; Highlights on Several Notable Bills in the Mix

The Legislature is currently on its spring break, having departed once floor sessions concluded on Thursday, March 30. Members will return to Sacramento on Monday, April 10 only to face two major legislative deadlines. By Friday, April 28, all policy committees must have dispensed with bills that have a fiscal impact, and by the following Friday, May 5, committees must have taken up all non-fiscal measures. Those immutable deadlines make for an exceptionally busy few weeks and lengthy policy committee hearings in the days ahead. Below we provide summaries of a smattering of policy measures of consequence. We will continue to provide updates on the status and policy deliberations on these and other measures as they make their way through the legislative process.

Highlights on High-Profile Health and Human Services Bills

SB 43 (Eggman) – Conservatorships

[SB 43](#), Senator Susan Eggman’s latest attempt to change the definition of gravely disabled used for conservatorships, was heard March 29 in Senate Health Committee.

A bipartisan, bicameral group of legislators has signed on to co-author the measure. Not surprisingly, Senate Health Committee members generally were supportive in their comments during deliberations on the measure. Senator Wahab asked a question about resources to serve the expanded population. Senate Health Committee passed the measure 12-0; the Senate Judiciary Committee will hear the measure in April.

Specifically, the bill seeks to expand the definition of “gravely disabled” to also include a condition that will result in substantial risk of serious harm to the physical or mental health of a person due to a mental health disorder or a substance use disorder (SUD). The bill would define “serious harm” for purposes of these provisions to mean significant deterioration, debilitation, or illness due to a person’s inability to carry out specified tasks, including, among other things, attend to needed personal or medical care and attend to self-protection or personal safety. Finally, the bill adds language specifying that, for purposes of an expert witness in a proceeding relating to the appointment or reappointment of a conservator, the statements of a health practitioner or a social worker included in the medical record are not hearsay.

SB 43 is being co-sponsored by the Big City Mayors Coalition, the California State Association of Psychiatrists, NAMI California, and Psychiatric Physicians Alliance of California. The bill is supported by several individual cities, the Los Angeles County Board of Supervisors, and Govern for California. Given the significance of this policy change and the diversity of opinion around the state on the proposed approach, we offer a more thorough digest below on various organizations’ formal positions on the measure.

The Sutter County Board of Supervisors, noted in the policy committee analysis as having a support if amended position, is seeking amendments to guarantee sufficient funding to cover costs associated with the measure. The County has concerns about the fiscal impact of the bill and its impact on community medical resources. Additionally, the County argues that SB 43 will impose considerable workload across multiple county departments and the courts, all of which already are strained under a host of new laws and responsibilities (such as CARE Court) aimed at mitigating the impact of homelessness without provision of resources necessary to fully meet the

new mandates. Finally, the County raises concerns about the chronic underinvestment of ongoing support in public and private treatment resources, housing facilities, and public guardians to absorb millions of individuals into the health care system who likely will need expensive, long-term care.

The County Behavioral Health Directors Association (CBHDA) is opposed to SB 43 on the basis that the proposed expansion of LPS is overly broad and ultimately would not benefit the clients and communities they serve. CBHDA asserts that changes would also further stigmatize behavioral health conditions and frustrate clients and the public who want to see real action to meaningfully address mental health and SUD needs. More broadly, opponents express additional concerns about involuntarily detaining and treating those with SUDs, including concerns that involuntary SUD treatment could result in overrepresentation of people of color, LGBTQ+, and other historically marginalized people being forced into more coercive treatment. CBHDA also cites a peer reviewed body of research from indicating that coerced and involuntary treatment is in fact less effective in terms of long-term substance use outcomes, and more dangerous in terms of overdose risk, and voluntary treatment is more effective. Finally, CBHDA makes the point that (1) a build out of delivery networks to support this policy change would take years and (2) to do so would require new, sustained and dedicated state resources above and beyond investments already made by the state, with a significant increase in residential and inpatient SUD treatment capacity.

A coalition of other opponents, largely comprised of disability rights as well as racial and ethnic minority group advocates, echo some of the arguments made by the behavioral health director. The coalition further argues that voluntary, community-based treatment and services, as well as the expansion of choices, rights, and liberties for people living with MH disabilities are what the state needs. The coalition encourages the Legislature to instead invest in evidence-based programs and services that are proven to meet the needs of Californians and urges the state to exercise greater oversight over local jurisdictions to ensure that unhoused people are offered and placed in appropriate affordable, accessible housing with voluntary supports. Finally, the group points out that despite recent state investments in programs like BHCIP, the infrastructure will not be available soon enough to absorb additional involuntary detentions that will result if the expanded definition of “gravely disabled” is enacted.

AB 4 (Arambula) – Covered California

AB 4, by Assembly Member Joaquin Arambula, would continue California’s efforts to expand health care coverage to all by focusing on Covered California eligibility. Specifically, AB 4 would authorize Covered California to apply for a federal waiver to allow undocumented residents to obtain coverage through the Exchange. Under the bill, undocumented individuals would be able to purchase coverage through Covered California beginning in plan year 2026. The Assembly Health Committee is hearing the bill on April 11.

SB 525 (Durazo) – Health Care Minimum Wage

SB 525, by Senator Maria Elena Durazo, would create a health care minimum wage of \$25 per hour and set a new floor for salaried health workers of \$104,000. The sponsor, SEIU State Council, has focused their messaging around the lowest wage health care workers – who are primarily women of color – and the health care workforce shortage.

Several organizations are opposing the bill or taking oppose unless amended positions, including the California Nurses Association, the California Hospital Association, the California Primary Care Association, the California Medical Association, Urban Counties of California (UCC), the California State Association of Counties (CSAC), and the Rural County Representatives of California (RCRC).

SB 525 will be heard in Senate Labor Committee on April 12.

[AB 1168 \(Bennett\) – Emergency Medical Services](#)

AB 1168 by Assembly Member Bennett was recently amended to overturn an extensive statutory and case law record that has repeatedly affirmed county responsibility for the administration of emergency medical services and with that the flexibility to design systems to equitably serve residents throughout their jurisdiction.

AB 1168 seeks to abrogate unsuccessful legal action that attempted to challenge an agency's .201 authorities – that is, the regulation that allows agencies that have continuously served a defined area since the 1980 EMS Act to continue serving that area as the sole provider. In the case of the *City of Oxnard v. County of Ventura*, the court determined that their case “would disrupt the status quo, impermissibly broaden Health and Safety Code section 1797.201’s exception in a fashion that would swallow the EMS Act itself, fragment the long-integrated emergency medical system, and undermine the purposes of the EMS Act.”

Proponents of the bill include the League of California Cities, California Fire Chiefs Association, and the California Professional Firefighters. Opponents include UCC, CSAC, RCRC, the County Health Executives Association of California, the Health Officers Association of California, ambulance providers, and the American Federation of State, County and Municipal Employees (AFSCME). AB 1168 is set for hearing April 11 in Assembly Health Committee.

Elections Bills of Note

Counties are encouraged to review two substantive elections bills related to redistricting. [AB 764](#), by Assembly Member and Chair of the Assembly Elections Committee Isaac Bryan, establishes a new FAIR MAPS Act of 2023, which generally expands the provisions of the FAIR MAPS Act to special districts and school entities. However, the bill proposes expansive new requirements for counties and cities, as well, based on sponsors’ assessment of the 2020 redistricting process. (We’ve previously shared the [report](#) that sponsors Common Cause, the American Civil Liberties Union, the League of Women Voters, and Asian Americans Advancing Justice prepared that reviews local 2020 redistricting processes and makes policy recommendations for future redistricting efforts.)

Some notable components of AB 764:

Significant new reporting requirements. New requirements to publish federal Voting Rights Act analyses, a report outlining compliance with new district boundary criteria, new redistricting public education and outreach plans with specific components and a public review period, written summaries of audio and video comments and deliberation made at every public workshop and public hearing, and analyses of each draft map proposed in AB 764 will be costly and time-consuming.

Additional public meeting obligations. The original FAIR MAPS Act required counties to conduct at least four public hearings; AB 764 ramps up the number of public hearings to five for the smallest counties, seven for medium-sized counties, and nine for the largest counties. AB 764 also adds an additional public meeting to be held on a weekend or evening and requires live translation of public hearings upon request.

New private right of action. AB 764 authorizes any interested person to bring an action to court for any *ongoing* violation or *prevention of a future* violation or a *threat* of violation of the provisions of the Act. Given the extensive new requirements included in the bill, this provision appears to invite litigation, even with a 15-day opportunity to cure.

[AB 1248](#), also by Assembly Member Bryan, would require a county, city, school district, or community college district of more than 300,000 people to establish an independent redistricting commission. The bill outlines a mechanism by which these local agencies must create an independent redistricting commission by a date certain or be subject to a prescribed process outlined in the bill. Those entities that already have either statutorily required independent commissions or have established commissions by ordinance or charter are not subject to the bill's provisions. While it is obvious that the bill's requirements constitute a reimbursable mandate, the challenges that will result from the bill are not simply resource-based. Independent commissions will necessarily require professional assistance that cannot be provided by their host local agency; with the expansion of the need for such professional assistance and the relative dearth of existing redistricting professionals, it is likely that local agencies will find themselves without capable and informed consultants to help conduct this important work.

While both bills are clearly aimed at a more transparent and accountable redistricting process, we are concerned about the practical and fiscal implications that will result and will continue to communicate those concerns to the Legislature and sponsors.

AB 764 and AB 1248 will be heard in the Assembly Elections Committee on April 19.

Two Measures Touch Public Safety Elements of 2011 Realignment

AB 702 (Jackson) – Redirection of JJCPA Resources

[AB 702](#), by Assembly Member Corey Jackson, would redirect Juvenile Justice Crime Prevention Act (JJCPA) funds, revise the composition of local Juvenile Justice Coordinating Councils (JJCC), and recast various elements of required multiagency juvenile justice plans. This measure largely mirrors previous legislative efforts – AB 1007 (Jones-Sawyer, 2020) and SB 943 (Bradford, 2021).

UCC, RCRC, and CSAC have weighed in as a coalition in opposition to this measure, primarily because of provisions that would require redirection of 95 percent of JJCPA funds, which today are – in many instances – dedicated to staffing and personnel costs that make up the backbone of our juvenile probation departments. These expenditures have been and continue to be wholly eligible and lawful under JJCPA. Most problematic about this approach is that the proposed redirection appears to ignore constitutional protections enacted under Proposition 30 (2012) that ensure certainty and stability for all programs realigned in 2011, including JJCPA. The proposal also is troubling given that counties are working diligently toward full implementation of SB 823, which shifted responsibility for the care and custody of all system-involved youth to county responsibility, and will be working to support the transition of and subsequent care for several

hundred young people who will remain in the jurisdiction of the Department of Juvenile Justice (DJJ) once all state facilities close on June 30, 2023.

This measure awaits hearing in the Assembly Public Safety Committee.

AB 1080 (Ta) – Criminal Justice Realignment (AB 109) Evaluation

[AB 1080](#), by Assembly Member Tri Ta, would require the Legislative Analyst’s Office to prepare a report – due to the Legislature by June 30, 2026 – that would evaluate results over a period of 10 years of AB 109 (2011) implementation. The bill, as recently amended, would require that the report address the following fiscal and programmatic data elements:

- Funding received by county for AB 109 implementation (i.e., funds into the local Community Corrections Subaccount) and how those funds were deployed locally;
- Details on local sentencing practices, including the use of straight sentencing, split sentencing, probation, diversion, and other custody alternatives;
- Changes to the county jail population, including any amendments to jail release policies and whether the county was subject to a court-ordered population cap;
- Information on post-release community supervision practices, including probation caseloads, responses to supervision violations, and programming and services offered; and
- Recidivism outcomes, as defined.

AB 1080 would authorize the LAO to prepare the report based on data from every county, or alternatively, a multicounty study using data from at least 15 counties representative of the state.

The measure passed the Assembly Public Safety Committee on the consent calendar and now awaits a fiscal review before the Assembly Appropriations Committee. AB 1080 is supported by the California District Attorneys’ Association, the Peace Officers Research Association of California, and more than a dozen local peace officer associations; no opposition to the bill has been recorded.

California Receives CMS Approval of Asset Waiver Flexibility

On March 29, DHCS received approval from the Centers for Medicare & Medicaid Services (CMS) to waive the asset test at redeterminations for members enrolled in Non-Modified Adjusted Gross Income (Non-MAGI) Medi-Cal. The waiver flexibility, submitted by DHCS on March 10 to support the continuous coverage unwinding, is effective for renewals retroactive to March 1 through December 31, 2023. Asset elimination takes effect on January 1, 2024.

This waiver flexibility ensures continuity of coverage for seniors and persons with disabilities and will prevent potential disruptions in their Medi-Cal coverage once redeterminations resume in April 2023. Medi-Cal members will still need to meet all other Medi-Cal eligibility criteria, such as income, to remain eligible for Medi-Cal.

DHCS issued [Medi-Cal Eligibility Division Letter \(MEDIL\) 23-19](#) to provide counties with immediate guidance on operationalizing the waiver flexibility.

DHCS Releases Hospital and Skilled Nursing Facility COVID-19 Worker Retention Payments

On March 28, March 30, and April 5, DHCS began issuing Hospital and Skilled Nursing Facility COVID-19 Worker Retention Payments (WRP) totaling more than \$1 billion. These one-time worker retention payments are for eligible workers who worked part- or full-time at qualifying hospitals and skilled nursing facilities during the COVID-19 public health emergency. These payments were included in [SB 184](#) (Chapter 47, Statutes of 2022) to help stabilize and retain the state's health care workforce while continuing to manage the COVID-19 pandemic. More than 832,000 individuals who worked at qualifying hospitals and skilled nursing facilities will receive a payment from DHCS:

- The \$1 billion is being paid out to 3,424 hospitals and skilled nursing facilities that applied on behalf of 788,000 eligible workers, including independent physicians and physicians who are part of a physician group.
- In addition, 205 Covered Services Employers, who provide onsite services, such as clerical, dietary, environmental, laundry, security, engineering, facilities management, administrative, and billing, will receive a total of \$46 million for disbursement to 44,000 eligible workers.

Chief Justice Guerrero Makes First State of Judiciary Address

Chief Justice Patricia Guerrero presented her inaugural State of the Judiciary address on Monday, March 27. Sworn in on January 2, Chief Justice Guerrero is the first Latina to serve in this position. In her address, she provided details on her personal story; described how she intends to approach her role both as the Chief Justice of the California Supreme Court and as the Chair of the Judicial Council, the policymaking body of the court system; encouraged legislators – many of them also new to their roles – to visit their local courts to see firsthand how their constituents interact with the court system and the ways in which the courts support and serve their communities; highlighted the need for ongoing collaboration among the three branches of government; and described the courts' enhanced focus on diversity.

Additionally, the Chief Justice identified four specific policy priorities:

- Safeguarding and enhancing public confidence in the judiciary—through programs like the branch's Civic Learning Initiative, and mentorship and training efforts;
- Increasing access to justice—including through the use of technology and increased provision of pro bono legal services;
- Increased transparency, improving efficiencies, and increasing productivity without sacrificing quality; and
- Advocating for a stable budget that the judicial branch can continue to count on to make public access to justice a reality in all 58 counties.

The entirety of the Chief's State of the Judiciary address can be read [here](#).