



SHAW/YODER/ANTWIH, inc.
LEGISLATIVE ADVOCACY • ASSOCIATION MANAGEMENT

October 4, 2016

To: Rick Cole, City Manager, City of Santa Monica
Danielle Noble, Deputy City Manager, City of Santa Monica

From: Joshua W. Shaw, Partner
Silvia Solis Shaw, Legislative Advocate
Christopher Castrillo, Legislative Advocate
Melissa Immel, Legislative Aide

Re: **Santa Monica 2016 End-of-Session Legislative Wrap-Up**

This report highlights the most important bills Shaw / Yoder / Antwih, Inc. lobbied in 2016 for the City of Santa Monica. We also discuss key state budget developments. Furthermore, we highlight several other policy objectives we pursued on behalf of the City this year.

2016 Legislation

The City aggressively pursued advancement of Council policies and priorities at the California state government level. In this legislative session, the City and its state lobbyists monitored and reported to Council and City staff on 461 pieces of legislation. The City actively monitored or took a position on 58 bills, supporting 51 bills, opposing five bills, and staying neutral on, but closely monitoring, two bills.

Attachment 1 to this memo displays a summary of the **58 bills we actively lobbied or monitored**.

The following is a **brief summary of the City's highest priority issues** and our activities this year:

Housing and Homelessness

This legislative session, Governor Brown and the Legislature recognized the unprecedented housing affordability and homelessness crisis affecting the state and advanced a number of efforts, via legislation and the state budget, to begin to address this issue. The "No Place Like Home" Initiative; Governor Brown's By Right housing proposal; changes to the state's density bonus law; and, the Right to Rest Act – all these measures were debated heavily throughout the year.

No Place Like Home Initiative

Last Fall, Senate President Pro Tem Kevin de León and former Senate leader Darrell Steinberg announced the "No Place Like Home" Initiative, which would provide \$2 billion for the construction and rehabilitation of permanent supportive housing for homeless individuals with mental illness. Governor Brown endorsed this plan in his May Revision to his 2016-17 State Budget proposal.

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This initiative re-purposes bond money from the Mental Health Services Act, Proposition 63, as well as leverages dollars from local, state and federal agencies to achieve the following goals:

- \$2 billion bond to construct permanent supportive housing for chronically homeless persons with mental illness.
- \$45 million in the 2016-17 state budget in rent subsidies for supportive housing pending the construction of the permanent supportive housing.
- \$22 million to support two special housing programs that will assist families: a county matching grant program to reduce homelessness among families that are part of the child welfare system and the CalWORKs Housing Support Program, which provides housing and support services for CalWORKs families in danger of homelessness.
- One-time investment of \$45 million in the 2016-17 state budget to incentivize local governments to boost outreach efforts and advocacy to get more eligible poor people enrolled in the SSI/SSP program.

The state Department of Housing and Community Development has announced that the first round of funding will be in the amount of \$263.6 million. They have also announced a preliminary timeframe with the NOFA to be released in December of 2017.

By Right Housing Proposal

Early in the legislative session, several members of the Assembly Democratic Caucus put forward a proposal that would have secured \$1 billion in state general fund dollars for the purposes of funding the construction and development of affordable housing. In response to this proposal and in recognition of California's housing crisis, Governor Brown announced his support for the No Place Like Home Initiative. Governor Brown also proposed \$400 million in one-time general fund dollars for affordable housing, as well as outlined a legislative proposal from his Administration requiring ministerial, "by right" land use entitlement provisions for multifamily infill housing developments that would have included an affordable housing component. Specifically, under the proposed legislation, a local government could not require a conditional use permit, planned unit development, or other discretionary local government review or approval for qualifying developments that include affordable housing, provided that they are consistent with general plan and zoning standards and are subject to mitigating measures to address potential environmental harm. The Governor and the Director of his Housing and Community Development Department, Ben Metcalf, believed that it was necessary to streamline the local planning and approval process in order to avoid delays in development and increased costs, as it was their contention that these policy changes would increase the housing supply, which would then lead to reduced housing costs. Governor Brown made it clear that the \$400 million in funding would only become available if the By Right housing proposal was approved.

The development of affordable housing has long been a priority for the City of Santa Monica and we knew that it would be important for the City to weigh in on the proposal with its legislative delegation. As soon as the language of the proposal became available, we shared the language with City staff, which promptly reviewed the language and prepared comments and suggested amendments that would make the proposal something that the City could possibly live with. We then set up meetings with our legislative delegation to discuss the City's perspective on the proposal. We also met with Mr. Metcalf and with the Governor's legislative deputy on housing issues to discuss the City's comments and concerns. A subsequent conference call was set up for City staff to discuss the City's proposed amendments with staff from the state Department of Housing and Community Development. We felt that staff was responsive to several of our suggested amendments.

Many local government organizations including the League of California Cities and the California State Association of Counties came out in opposition to the proposal as they believed that the proposal would pre-empt local discretionary land use approvals and eliminate opportunities for local public review. There were also concerns about this proposal being discussed through the budget process, rather than the policy committee process.

Many environmental groups opposed the proposal as they felt that it would circumvent the CEQA process. Construction unions, such as the State Building and Construction Trades Council, opposed the measure as they wanted to ensure that the home builders constructing projects built under this expedited process would be required to pay construction workers the prevailing wage. Director Metcalf and Governor Brown said that the labor groups' proposal was a deal-breaker because it would raise costs for developers and result in fewer projects being built.

While Governor Brown's administration tried to address several of the concerns raised by the opponents, ultimately, a consensus could not be reached and a deal was not achieved on this proposal, so the \$400 million set aside in the budget was not spent.

Density Bonus Law and Second Units

At the same time that the Brown Administration announced their By Right proposal, they also indicated their support of other initiatives to increase housing supply when such initiatives do not create a state reimbursable mandate, such as clarifying the requirements of Density Bonus Law and making changes to the laws pertaining to second units. The Administration highlighted that the increased use of Density Bonus Law can provide greater certainty to developers through the changes proposed in AB 2501 (Bloom). We worked closely with City staff to review the bill and discussed the City's concerns with staff for Assembly Member Bloom. After initial discussions, we arranged for several conference calls with the bill's sponsor to review bill language. While the City did not take a position on the bill, we made sure to communicate to the author and bill sponsors the potential impacts of the bill from the City's perspective. Ultimately, the bill was amended to remove the concerns of the League of California Cities and other local government associations. Governor Brown in September signed AB 2501 into law.

The Administration announced support for policies that increase the availability of accessory dwelling units with expanded ministerial approval, shortened permitting timelines, reduced duplicative fees, and relaxed parking requirements, consistent with the principles identified by SB 1069 (Wieckowski) and AB 2299 (Bloom). These bills passed successfully through the Legislature and were signed into law by Governor Brown in late September.

Right to Rest Act

Senator Carol Liu introduced legislation in the 2015 and 2016 sessions that would give homeless persons the right to use public space without discrimination based on their housing status and a civil remedy if their rights are violated. SB 608 was introduced in the 2015 session and testimony was heard in the Senate Transportation and Housing Committee but no vote was taken. In 2016, Senator Liu reintroduced the proposal as SB 876. The City took an oppose position on both measures because neither did anything significant to address chronic homelessness, while limiting local governments' ability to protect the public health, safety and welfare of their communities. We made sure to convey the City's opposition to Senator Liu's office as well as to our legislative delegation. We met with Senator Allen, who is a member of the Senate Transportation and Housing Committee, to outline the City's opposition to the bill. We also testified in opposition to each bill during the bills' hearings. Each bill ultimately failed passage out of the legislature.

Energy and the Environment

California's climate change goals continued to be a top priority for the Legislature this year. After stalling in the Assembly last year, Senator Fran Pavley's SB 32 passed this year, expanding the goal set forth by 2006's AB 32 by requiring the State Air Resources Board (ARB) to ensure that statewide greenhouse gas (GHG) emissions are reduced to 40% below the 1990 level by 2030. The ARB establishes various regulations and programs to ensure that the state meets emissions reductions targets; among these programs is the Cap-and-Trade system, which continues to face an uncertain future. The City of Santa Monica supported SB 32 both this year and last. We testified in support of the bill in a number of committees and made sure to inform our delegation of the City's support.

To address concerns from Assembly Moderate Democrats that halted SB 32 last year, the bill was tied to AB 197 (Eduardo Garcia). Assembly Member Eduardo Garcia is one of the Moderate Democrats that voted against SB 32 last year. After attending COP21, an international climate change conference in Paris, he became interested in ensuring that Cap-and-Trade revenues, known as the Greenhouse Gas Reduction Fund (GGRF), are directed to the communities that are most impacted by pollution. After conversations with the Latino Caucus and the informal caucus of Assembly Moderate Democrats, the author decided to pursue increased transparency and legislative oversight to help ensure an equitable distribution of these funds.

Specifically, AB 197 creates a Joint Legislative Committee on Climate Change Policies, requires the ARB to prioritize direct emission reductions and consider social costs when adopting regulations to reduce GHG emissions beyond the 2020 statewide limit, requires the ARB to prepare reports on sources of GHGs and other pollutants, establishes six-year terms for voting members of the ARB, and adds two legislators as non-voting members of the ARB. Indeed, seventeen legislators that voted against SB 32 last year voted in favor of the bill this year.

The Governor signed SB 32 and AB 197 during a signing ceremony in Los Angeles on September 8, 2016.

Related to this expansion of the state's climate change policies, the Cap-and-Trade program has come under increased criticism this year, especially after revenues from the sale of allowances fell drastically short in both the May and August auction results. Businesses have been less willing to purchase carbon credits due to the lack of confidence in the future of Cap-and-Trade. Advocates for Cap-and-Trade are optimistic that the passage of SB 32, by establishing a commitment to extend Cap-and-Trade beyond 2020, will provide increased long-term market certainty, and are hopeful that the program will ultimately succeed and auction revenues will see an uptick in future months and years.

However, the Cap-and-Trade program still faces a legal battle over whether the program imposes an unconstitutional tax. Proponents of Cap-and-Trade assert that the program amounts to a legally valid fee, while opponents argue the financial requirement is a tax. Because SB 32 was passed with a simple majority vote rather than a 2/3 vote (needed to authorize a tax), this legal question remains unresolved. However, even if the courts struck down Cap-and-Trade, the ARB could still pursue emission reductions through other mandates and regulations.

On the last day of session, the Governor, the Senate, and the Assembly reached an expenditure deal on unallocated Cap-and-Trade revenues from the past two Fiscal Years. By statute, 60% of Cap-and-Trade auction revenues are automatically directed annually on an ongoing basis toward public transit, affordable housing, sustainable communities, and the high-speed rail project. The remaining 40% is left to the Legislature's discretion, to be allocated for projects and programs that reduce GHG emissions.

The Legislature could not come to an agreement last year on how to spend the funds, so the accumulated total of the discretionary pot from this year and last was almost \$1.4 billion. In light of poor results from recent Cap-and-Trade auctions this year, the Governor wanted to again spend none of the money, while Senate President Pro Tem de León wanted to spend almost all of the money, and Assembly Speaker Rendon wanted to spend some of the money.

The compromise GGRF expenditure plan allocates \$900 million of the \$1.4 billion in unallocated revenue generated from auctions in Fiscal Year 2014-15 and Fiscal Year 2015-16, reserving about \$462 million for appropriation in future years.

SWIP: Sustainable Water Infrastructure Project

This year, we worked closely with Mr. Tom Watson from the City's Water Resources Protection Program, in the Department of Public Works, to schedule for and attend meetings with Mr. Watson to discuss the City of Santa Monica's application for state funding for the SWIP, the Sustainable Water Infrastructure Project. We, along with Mr. Watson, met with our legislative delegation several times, including once in their respective districts. We also set up and attended several meetings with staff at the State Water Resources Control Board and with the staff at the Department of Water Resources. We are hopeful that the City's application for state funding will be approved before the end of the year.

Public Safety

In the face of increasingly frequent mass shootings throughout the state and the country, the Legislature passed a comprehensive gun control package this year. This package contained bills that would collectively implement many provisions similar to those that the November ballot initiative (Proposition 63, The Safety for All Act of 2016) seeks to enact, including regulating ammunition like firearms, reporting lost and stolen firearms in a timely manner, and establishing a process for the legal disposal of large-capacity magazines. Some of the legislative proposals also addressed gun control issues not included in the initiative, such as banning self-made and self-assembled guns unless serialized and urging the U.S. Congress to study gun violence. The City supported most of these gun safety bills.

Governor Brown signed many of these bills, which will:

- Require an ID and background check to purchase ammunition and create a new state database of ammunition owners.
- Ban possession of ammunition magazines that hold more than 10 bullets.
- Restrict the loaning of guns without background checks to close family members.

The Governor also vetoed several bills, which would have:

- Put an initiative on the November ballot to clarify that theft of a firearm is grand theft and is punishable as a felony.
- Required those who make guns at home to register them with the state and get a serial number so the weapons can be tracked.
- Required stolen or lost guns to be reported within five days.
- Limited Californians to the purchase of one rifle or shotgun per month.

Throughout the year, we relayed the City's support for many of these bills to our delegation, and testified in the Assembly and Senate Public Safety Committees hearings on behalf of the City.

Special Session on Transportation

Last year, the Governor called for a special legislative session to address the state's transportation and infrastructure funding needs. He also put forth a transportation plan that would generate approximately \$3.6 billion annually. Legislative leaders established a Special Session Conference Committee on Transportation and Infrastructure Development, but did not come to any agreement before leaving for the interim recess.

At the beginning of this year, Assembly Member Jim Frazier, Chair of the Assembly Transportation Committee, introduced AB 1591, which would have provided nearly \$8 billion per year in transportation funding. Also this year, Senator Jim Beall, Chair of the Senate Transportation and Housing Committee, significantly amended his SBX1 1, laying out a proposal that would establish a \$6.5 billion annual transportation funding package. These proposals signaled that both Senate and Assembly Democrats agreed a deal was needed, but negotiations continued throughout the year.

At the end of the regular legislative session this year, Senator Beall and Assembly Member Frazier announced that the Democrats in both houses had come to agreement. The language for the joint proposal was put into identical special session bills, an amended SBX1 1 (Beall), and ABX1 26 (Frazier). This proposal would establish a \$7.4 billion annual funding package through various taxes and fees. Negotiations with Republicans are ongoing, as a 2/3 vote is needed to increase taxes.

Due to it being an election year, one theory is that the Legislature may come back for the special session after the November 8 general elections to pass the transportation funding package. Otherwise, the issue will remain unresolved, perhaps to be considered anew in 2017.

The City of Santa Monica has supported all versions of these transportation funding proposals. We have continued to inform our delegation of the City's support for a transportation funding package that includes dollars for alternative and multimodal transit systems.

Sharing Economy

During the legislative session, several measures were introduced dealing with the sharing economy. SB 1102 (McGuire) would have created an alternative method for the collection of transient occupancy taxes (TOT) on certain rental transactions for residential units that are offered for short-term rental through an online platform. As the City has already adopted a local ordinance addressing short-term rentals, City staff asked that we communicate to our legislative delegation that any state measure addressing short-term rentals should include language that "grandfathers" existing local ordinances, as well as protects TOT that is collected locally. With major opposition from local governments, SB 1102 failed passage out of the Senate. Another bill, AB 650 (Low), would have removed oversight of the taxicab industry from local governments and moved it over to the California Public Utilities Commission. The Taxicab and Paratransit Association of California sponsored this measure because they felt that less regulatory oversight by local governments would make them more competitive with Transportation Network Companies like Uber and Lyft. That bill passed out of the legislature but was ultimately vetoed by Governor Brown, who felt that the industry was best regulated by local governments, rather than the state.

2016-17 State Budget

After months of negotiations, in June the Governor signed the \$170.9 billion budget adopted by the Legislature's Budget Conference Committee. As a matter of fiscal prudence, the budget sets aside an extra \$2 billion into the state's Rainy Day Fund, bringing the state's reserve fund to \$6.7 billion.

The 2016-17 State Budget begins implementing the statewide minimum wage increase that was approved this year. The California minimum wage will be \$10.50 per hour beginning on January 1, 2017, \$11.00 per hour beginning in 2018, then increases by \$1.00 per hour each year until reaching \$15.00 per hour in 2022. The plan allows small businesses – those with fewer than 25 employees – an additional year to phase in the increases. Until the minimum wage reaches \$15.00 per hour, the Governor has the authority to twice suspend the following year’s minimum wage increase in the face of economic downturn or budgetary deficit.

The budget reflects \$3.6 billion in state and federal funding for various affordable housing and homelessness programs, including increased funding for CalWORKs rapid rehousing and emergency homeless shelters. As described earlier, \$400 million of that amount was set aside for affordable housing programs contingent upon the ministerial “by right” land use entitlements agreement, which never came to fruition. It remains to be seen whether that \$400 million will again be on the negotiating table for next year’s budget. Additionally, one of the budget trailer bills authorized the \$2 billion bond for the “No Place Like Home” Initiative.

This year’s budget includes \$2 billion for state infrastructure improvements and maintenance, including \$1.3 billion for state buildings, \$270 million in lease-revenue bond authority for local jails, and \$688 million for critical deferred maintenance at levees, state parks, universities and community colleges, prisons, state hospitals and other state facilities.

The budget also, among other provisions, directs monies to pay down the state’s debt; fund K-12 and higher education; establish the California Seismic Safety Capital Loan Program; and, repeal the CalWORKs “maximum family grant rule.”

Two budget items remained unaddressed in the previous 2015-16 State Budget: transportation funding and Cap-and-Trade revenue allocations. A Cap-and-Trade revenue expenditure agreement was reached this year, as described earlier. A transportation funding deal is still unresolved, but proponents have urged and legislators have signaled the possibility of returning to Sacramento in November during the ongoing special session to approve a plan.

Attachment 1 contains a list and descriptions of the bills on which the City took a position or closely monitored during the second year of the 2015-16 legislative session, along with each bill’s final status, organized according to the issue areas identified in the “2016 State of California Legislative Platform” adopted earlier this year by Council.

Please note that in 2016 1,059 bills were sent to the Governor for his consideration; he signed 898 of those bills and vetoed 159. Two bills became law without the Governor’s signature.

Please do not hesitate to contact us if you have any questions about this material.

Key Legislation by Issue Area

DATA

AB 2256 (Maienschein) Homelessness: report – Support

This bill would have required a homeless services provider to submit an annual report to the California Health and Human Services Agency with specified data regarding homeless children or youth and homeless persons. The bill would have required the data reported to be published on the California Health and Human Services Open Data Portal.

Status: Held in Senate Rules Committee.

EDUCATION

SB 916 (Allen) Teacher credentialing – Support

This bill will add dance and theatre to the list of authorized subjects under the Commission on Teacher Credentialing's list of allowable single subject teaching credentials.

Status: Signed into law by Governor Brown on September 26, 2016.

FINANCIAL SUSTAINABILITY

SB 975 (Committee on Governance and Finance) Tax increment: propriety tax override rates – Support

This bill prohibits the diversion of revenues derived from property tax override rates approved by the voters.

Status: Signed into law by Governor Brown on July 1, 2016.

SBX1 1 (Beall) Transportation funding – Support

This bill establishes a \$7.4 billion annual funding package to repair and maintain California's roads and transportation infrastructure.

Status: Pending in the Senate Appropriations Committee.

AB 1591 (Frazier) Transportation funding – Support

This bill would have created the Road Maintenance and Rehabilitation Program to address deferred maintenance on the state highway system and the local street and road system. The bill would have required the California Transportation Commission to adopt performance criteria to ensure efficient use of the funds available for the program.

Status: Held in Assembly Transportation Committee.

ACA 4 (Frazier) Local government transportation projects: special taxes: voter approval – Support

This measure would have lowered the voter approval threshold from two-thirds to fifty-five percent for the imposition, extension or increase of a special tax by a local government for the purpose of providing funding for local transportation projects.

Status: Held on the Assembly Appropriations Committee Suspense File.

ABX1 26 (Frazier) Transportation funding – Support

This bill establishes a \$7.4 billion annual funding package to repair and maintain California's roads and transportation infrastructure.

Status: Referred to the Conference Committee on Transportation and Infrastructure Development.

HEALTH

AB 26 (Jones-Sawyer) Medical cannabis – Support

This bill would have required a licensee to implement an employee training program for the licensee's employees regarding compliance with the Medical Cannabis Regulation and Safety Act (MCRSA). The bill would have required an applicant with 20 or more employees to attest on the application that the applicant would implement an employee training program approved by the licensing authority within one year of licensure, thereby modifying the crime of perjury and imposing a state-mandated local program.

Status: Held in Senate Rules Committee.

AB 1575 (Bonta) Medical cannabis – Support

This bill would have amended various provisions of the Medical Cannabis Regulation and Safety Act, authorizing the use of specified marks related to lawful medical cannabis goods and services in the state, for purposes of those marks for which a certificate of registration is issued on or after January 1, 2017, in conformance with the classifications adopted by the United States Patent and Trademark Office.

Status: Held on the Senate Appropriations Committee Suspense File.

AB 2125 (Chiu) Health Nail Salon Recognition Program – Support

This bill requires the Department of Toxic Substance Control to publish guidelines for cities, counties, and cities and counties to voluntarily implement local healthy nail salon recognition programs. The bill allows the guidelines to include, but not be limited to, specified criteria, such as the potential for exposure of nail salon workers and customers to chemicals. The bill also requires the department to develop a consumer education program, present the guidelines to local health officers, local environmental health departments, and other local agencies, and post specified information on its Internet Web site.

Status: Signed into law by Governor Brown on September 24, 2016.

HOMELESSNESS

SR 84 (Hall) Relative to homelessness – Support

This measure would have stated that the Senate respectfully requests that Governor Brown declare a state of emergency on homelessness, and that the Senate recognizes the challenge of confronting homelessness requires the active engagement and leadership of all branches of government. The resolution would have stated that the Senate must prioritize taking action on homelessness prior to the adjournment of the 2015-16 Regular Session of the Legislature.

Status: Held in Senate Transportation & Housing Committee.

AB 1995 (Williams) Community colleges: homeless students: access to shower facilities – Support

This bill will require a community college campus that has shower facilities for student use to grant access to those facilities to any homeless student who is enrolled in coursework, has paid enrollment fees, and is in good standing with the community college district. The bill would require the community college to determine a plan of action to implement this requirement.

Status: Signed into law by Governor Brown on September 21, 2016.

HR 56 (Santiago) Relative to homelessness – Support

This measure requests that Governor Brown declare a state of emergency on homelessness, and establishes the Assembly's recognition that the challenge confronting homelessness requires the active engagement and leadership of all arms of government and the Legislature must prioritize taking action on homelessness prior to the adjournment of the 2015-16 Regular Session of the Legislature.

Status: Adopted by the Assembly on June 30, 2016.

HOUSING

SB 876 (Liu) Homelessness – Oppose

This bill would have afforded homelessness individuals the right to use public spaces without discrimination based on their housing status. The bill would have described basic human and civil rights that may be exercised without being subject to criminal or civil sanctions, including the right to use and to move freely in public spaces, the right to rest in public spaces and to protect oneself from the elements, the right to eat in any public space in which having food is not prohibited, and the right to perform religious observances in public spaces.

Status: Held in Senate Transportation & Housing Committee.

SB 879 (Beall) Affordable Housing Bond Act of 2018 – Support

This bill would have enacted the Affordable Housing Bond Act of 2018, which, if adopted, would have authorized the issuance of bonds in the amount of \$3,000,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds would have been used to finance various existing housing programs, as well as infill infrastructure financing and affordable housing matching grant programs, as provided.

Status: Held on the Assembly Floor.

SB 1053 (Leno) Housing discrimination: applications – Support

Current law generally prohibits housing discrimination with respect to various personal characteristics including source of income. Existing law defines "source of income" for these purposes as lawful, verifiable income paid directly to a tenant or paid to a representative of a tenant, which does not include a landlord. This bill would have amended the definition of "source of income" to also include specified federal, state, or local housing assistance or subsidies paid either to the tenant or directly to the landlord on behalf of the tenant.

Status: Held on the Senate Appropriations Committee Suspense File.

SB 1092 (Monning) Advertising: Internet private residence rental listings: notice – Support

Current law requires a hosting platform, as defined, to provide a specific notice to an occupant listing a residence for short-term rental on a hosting platform that states, among other things, that, if the occupant is a tenant, listing the room, home, condominium, or apartment may violate the lease or contract and could result in legal action by the landlord, including possible eviction. This bill requires that notice to also be provided to mobilehome offerors and include a statement advising the offeror to review any restrictions on coverage under the offeror's homeowners' or renters' insurance policy related to short-term rental activities, as specified, and makes technical and conforming changes.

Status: Signed into law by Governor Brown on July 25, 2016.

SB 1380 (Mitchell) Homeless Coordinating and Financing Council – Support

This bill would require a state agency or department that funds, implements, or administers a state program that provides housing or housing-related services to people experiencing homelessness or at risk of homelessness, except as specified, to revise or adopt guidelines and regulations to include

enumerated Housing First policies. The bill would also establish the Homeless Coordinating and Financing Council to oversee the implementation of the Housing First guidelines and regulations and, among other things, to identify resources, benefits, and services that can be accessed to prevent and end homelessness in California.

Status: Signed into law by Governor Brown on September 29, 2016.

AB 723 (Chiu) Housing: finance – Support

This bill will authorize the Department of Housing and Community Development to issue a Notice of Funding Availability under which the director of the department could determine that an applicant previously awarded funds is eligible to apply for, and receive, additional funds pursuant to the Community Development Block Grant Program, without regard to whether the applicant has expended at least a certain percentage of funds previously awarded.

Status: Signed into law by Governor Brown on September 24, 2016.

AB 2441 (Thurmond) Housing: Workforce Housing Pilot Program – Support

This bill would have created the Workforce Housing Pilot Program, pursuant to which the Department of Housing and Community Development, subject to the appropriation of funds for that purpose, would award grant funding to eligible recipients for the predevelopment costs, acquisition, construction, or rehabilitation of rental housing projects or units within rental housing projects that serve, and for providing downpayment assistance to, persons and families of low or moderate income.

Status: Held on the Senate Appropriations Committee Suspense File.

AB 2501 (Bloom) Housing: density bonuses – Neutral

This bill revises the state density bonus law to require a local government to adopt procedures and timelines for processing a density bonus application, provide a list of documents and information required to be submitted with the application in order for it to be deemed complete, and notify the applicant whether it is complete. The bill prohibits a local government from requiring additional reports or studies to be prepared as a condition of an application.

Status: Signed into law by Governor Brown on September 28, 2016.

AB 2556 (Nazarian) Density bonuses – Support

This bill makes clarifying changes to California's density bonus law. The Planning and Zoning Law makes an applicant ineligible for a density bonus if the housing development is proposed on property with existing or certain former dwelling units subject to specific affordability requirements, including a form of rent or price control through a public entity's valid exercise of its police power, or on property with existing units occupied by lower or very low income households, unless the proposed housing development replaces those units as prescribed. This bill revises that definition of "replace" to require a rebuttable presumption, based on certain federal data, regarding the proportion of lower income renter households that occupy existing units, if the income category of the households in occupancy is not known.

Status: Signed into law by Governor Brown on September 28, 2016.

AB 2734 (Atkins) Local Control Affordable Housing Act – Support

This bill would have established the Local Control Affordable Housing Act to require the Department of Finance to annually determine the state General Fund savings for the fiscal year as a result of the dissolution of redevelopment agencies. The bill would have provided that, upon appropriation, 50% of that amount or \$1,000,000,000, whichever is less, be allocated to the Department of Housing and Community Development.

Status: Held on the Assembly Appropriations Committee Suspense File.

AB 2817 (Chiu) Taxes: credits: low-income housing: allocation increase – Support

This bill, beginning in 2017, would have increased the aggregate housing credit dollar amount that may be allocated among low-income housing projects by \$300,000,000, as specified. The bill would also have increased the amount the committee may allocate to farmworker housing projects from \$500,000 to \$25,000,000 per year.

Status: Held on the Senate Appropriations Committee Suspense File.

AB 2821 (Chiu) Housing for a Healthy California Program – Support

This bill will require the Department of Housing and Community Development to, on or before October 1, 2017, to establish the Housing for a Healthy California Program and on or before April 1, 2018, and every year thereafter, subject to appropriation by the Legislature, award grants on a competitive basis to eligible grant applicants based on guidelines that HCD would draft, as prescribed.

Status: Vetoed by Governor Brown on September 27, 2016.

LAND USE

AB 2392 (Nazarian) California Seismic Safety Capital Access Loan Program – Support

This bill would have established within the Capital Access Loan Program the California Seismic Safety Capital Access Loan Program to assist residential property owners and small business owners in seismically retrofitting residences and small businesses by covering losses on qualified loans for those purposes. The bill would have required the California Pollution Control Financing Authority to administer the program, including regulations and funds received for the program.

Status: Held in Senate Governance and Finance Committee.

MISCELLANEOUS

AB 1707 (Linder) Public records: response to request – Oppose

This bill would have modified the California Public Records Act to require that agencies subject to these rules include in their responses to CPRA requests the titles of documents withheld and the exemption that applies to each document. The bill also would have required that all responses to CPRA requests be in writing.

Status: Held in Assembly Judiciary Committee.

AB 2324 (Eggman) Certified farmers' markets – Neutral

This bill adds raw sheared wool to the list of agricultural products that farmers are able to sell at certified farmers' markets.

Status: Signed into law by Governor Brown on September 16, 2016.

MOBILITY

SB 824 (Beall) Low Carbon Transit Operations Program – Santa Monica Big Blue Bus Support

This bill provides more tools and flexibility to allow public transit agencies to more effectively manage and utilize their formula shares under the Low Carbon Transportation Operations Program in order to maximize greenhouse gas emissions reductions in a way that makes sense for individual systems.

Status: Signed into law by Governor Brown on September 22, 2016.

PARKS AND OPEN SPACE

AB 2444 (E. Garcia) California Parks, Water, Climate, and Coastal Protection and Outdoor Access for All Act of 2018 – Support

This bill would have enacted the California Parks, Water, Climate, and Coastal Protection and Outdoor Access For All Act of 2018, which, if approved by the voters, would have authorized the issuance of bonds in an amount of \$3,497,500,000 pursuant to the State General Obligation Bond Law to finance a parks, water, climate, and coastal protection and outdoor access for all program.

Status: Held in Senate Rules Committee.

PUBLIC SAFETY

SB 1221 (Hertzberg) Firefighters: interaction with persons with mental disabilities – Support

This bill authorizes the Commission on Peace Officer Standards and Training to make its course on interaction with mentally disabled individuals available to the State Fire Marshal.

Status: Signed into law by Governor Brown on September 14, 2016.

SB 1235 (de León) Ammunition – Support

This bill requires the Attorney General to maintain information about transactions and vendor licenses for ammunition through the same process that is used to track firearm sales.

Status: Signed into law by Governor Brown on July 1, 2016.

SB 1407 (de León) Firearms: identifying information – Support

This bill would have required the Department of Justice to maintain and make available identifying information, including serial numbers, for self-made and self-assembled guns.

Status: Held on the Assembly Inactive File.

SB 1446 (Hancock) Firearms: magazine capacity – Support

This bill prohibits the possession of large-capacity magazines, with specified exceptions.

Status: Signed into law by Governor Brown on July 1, 2016.

AB 156 (McCarty) Ammunition – Support

This bill would have required processes in place for monitoring firearm sales to also apply to ammunition purchases and sales.

Status: Held on the Assembly Inactive File.

AB 847 (Mullin) Mental health: community-based services. – Support

This bill requires the California Department of Health Care Services to develop and submit a proposal to the U.S. Secretary of Health and Human Services, for possible selection as a participating state in a demonstration program designed to improve access to community mental health and substance use treatment services.

Status: Signed into law by Governor Brown on April 11, 2016.

AB 857 (Cooper) Firearms: identifying information – Support

This bill bans the manufacture and possession of self-made and self-assembled guns unless serialized. Any individual that makes or assembles a firearm is first required to obtain a serial number from the Department of Justice and demonstrate that he or she is not prohibited from owning firearms.

Status: Signed into law by Governor Brown on July 22, 2016.

AB 1663 (Chiu) Firearms: assault weapons – Support

This bill would have prohibited the future sale, purchase, manufacture, importation, or transfer in California of semiautomatic rifles that can accept detachable magazines. The bill also would have created a registration process for current gun owners who would be impacted by this law.

Status: Held on the Assembly Appropriations Committee Suspense File.

AB 1664 (Levine) Firearms: assault weapons – Support

This bill would have revised the definition of "assault weapon" to mean a semiautomatic centerfire rifle or a semiautomatic pistol that does not have a fixed magazine but has any one of those specified attributes. The bill would have defined "fixed magazine" to mean an ammunition feeding device contained in, or permanently attached to, a firearm in such a manner that the device cannot be removed without disassembly of the firearm action.

Status: Held on the Senate Inactive File.

AB 1673 (Gipson) Firearms: unfinished frame or receiver – Support

This bill would have expanded the definition of "firearm" to include the frame or receiver of the weapon or a frame or receiver "blank," "casting" or "machined body" that is designed and clearly identifiable as a component of a functional weapon.

Status: Vetoes by Governor Brown on July 1, 2016.

AB 1674 (Santiago) Firearms: transfers – Support

This bill would have prohibited a person from applying to purchase more than one long gun within any 30-day period. The bill also would have repealed the private party transaction exemption to the prohibition regarding the purchase of more than one handgun in any 30-day period. Firearm transfers conducted through a licensed dealer by bequest or intestate succession would have been exempt from that prohibition.

Status: Vetoes by Governor Brown on July 1, 2016.

RENT CONTROL

SB 775 (Allen) Tenancy: rent control: certification – Support

This bill changes current law so that the rent certification process does not apply to tenancies for which the landlord may freely set the initial rent pursuant to the Costa-Hawkins Act.

Status: Signed into law by Governor Brown on July 22, 2016.

SB 1267 (Allen) Rent: unlawful detainer: withdrawal of accommodations from rent or lease – Support

Current law requires an owner of a dwelling structure containing one or more units offered to the public for rent or for lease for residential purposes, or a party signing a rental agreement or lease on behalf of the owner, to provide certain information to a tenant, and, if rent payments may be made personally, the usual days and hours that the person will be available to receive the payments, or, at the owner's option, the rental agreement or lease instead is required to disclose the number of the account in a financial institution located within 5 miles of the rental property into which rent payments may be made, and the name and street address of the institution, or the information necessary to establish an

electronic funds transfer procedure for paying the rent. This bill would have required that the address for payment in person be within 5 miles of the rental property and that the rental agreement or lease disclose a name and address to which rent may be paid by mail.

Status: Held in Senate Transportation and Housing Committee.

AB 2312 (Gatto) Unlawful detainer: payment of rent funds – Oppose

This bill would have, in unlawful detainer cases, require a defendant who is represented by an attorney to deliver rent funds to his/her attorney each month after the summons and complaint have been filed, until the plaintiff regains possession of the property or the court enters judgment in favor of the defendant.

Status: Held in Assembly Judiciary Committee.

AB 2819 (Chiu) Unlawful detainer proceedings – Support

Under current law, access to limited civil case records filed in an unlawful detainer action is restricted to any other person 60 days after the complaint has been filed, unless the defendant prevails in the action within 60 days after the filing of the complaint, in which case access is limited to the other parties allowed access, as described. This bill provides that access to limited civil case records filed in an unlawful detainer action is restricted, for purposes of (1) to any person by order of the court if judgment is entered for the plaintiff after trial more than 60 days since the filing of the complaint, and (2) to any other person 60 days after the complaint has been filed if the plaintiff prevails in the action within 60 days of the filing of the complaint.

Status: Signed into law by Governor Brown on September 13, 2016.

SUSTAINABILITY

AIR

SB 32 (Pavley) California Global Warming Solutions Act of 2006: emissions limit – Support

This bill requires the State Air Resources Board to ensure that statewide greenhouse gas emissions are reduced to 40% below the 1990 level by 2030.

Status: Signed into law by Governor Brown on September 8, 2016.

ENERGY

SB 286 (Hertzberg) Electricity: direct transactions – Support

This bill would have required the Public Utilities Commission to adopt and implement a schedule that implements a second phase-in period for expanding direct transactions for individual retail nonresidential end-use customers over a period of not more than 3 years, raising the allowable limit of kilowatt hours that can be supplied by other providers in each electrical corporation's distribution service territory by that electrical corporation's share of an aggregate of 8,000 gigawatt hours, apportioned as specified.

Status: Held in Assembly Appropriations Committee.

SB 919 (Hertzberg) Water supply: creation or augmentation of local water supplies – Support

This bill will require the Public Utilities Commission, before January 1, 2018, in consultation with the Independent System Operator, to address the oversupply of renewable energy resources through a tariff or other economic incentive for electricity purchased by customers operating "facilities that create or augment local water supplies," as defined, to reduce the cost of electricity to those facilities.

Status: Vetoed by Governor Brown on September 29, 2016.

AB 1330 (Bloom) Energy efficiency – Support

This bill will require the California Public Utilities Commission to ensure that there are sufficient moneys available for electrical and gas corporations to meet established efficiency targets.

Status: Signed into law by Governor Brown on September 29, 2016.

AB 2673 (Harper) Sales and use tax exemption: income tax credits: hydrogen refueling station equipment – Support

This bill would have provided a sales and use tax exemption for Alternative and Renewable Fuel and Vehicle Technology program grant recipients for hydrogen refueling station equipment.

Status: Held on the Assembly Revenue & Taxation Committee Suspense File.

GOODS

SB 1282 (Leno) Pesticides: neonicotinoids: labeling – Support

This bill, on or after July 1, 2017, would have required labeling of commercially available seeds and plants sold at retail establishments, excluding noxious weed seeds and plants, that have been treated with a neonicotinoid pesticide. By January 1, 2018, the bill would have prohibited the noncommercial use of neonicotinoids, with certain exceptions.

Status: Failed passage off the Senate Floor.

AB 45 (Mullin) Household hazardous waste – Oppose

This bill would have required CalRecycle to adopt one or more model ordinances for a program for the collection of household hazardous waste. The bill also would have required a local jurisdiction that provides for the residential collection and disposal of solid waste that proposes to enact a related ordinance to adopt one of the model ordinances.

Status: Held in Senate Environmental Quality Committee.

WATER

SB 1260 (Allen) Stormwater: municipalities: online resource center – Support

This bill requires the State Water Resources Control Board to establish an online resource center that addresses measures available for municipalities to comply with municipal stormwater permit requirements, and authorizes the inclusion of certain information.

Status: Signed into law by Governor Brown on August 19, 2016.

AB 1738 (McCarty) Building standards: dark graywater – Support

This bill would have defined “dark graywater” as a specified wastewater that comes from kitchen sinks and dishwashers. The bill would have required the Department of Housing and Community Development, at the next triennial building standards cycle, to adopt and submit for approval building standards for the construction, installation, and alternation of dark graywater systems for indoor and outdoor uses.

Status: Held in Senate Environmental Quality Committee.

AB 2040 (Melendez) Outdoor Water Efficiency Act of 2016: personal income tax credits: outdoor water efficiency – Support

This bill would have allowed a tax credit equal to \$2,500 or 25% of the amount paid or incurred by a qualified taxpayer for installing drought-friendly landscaping and water conscious equipment in his/her yard. To be eligible for the tax credit, an individual’s income could not exceed 120% of the area median income of his/her county of residence.

Status: Held on the Assembly Appropriations Committee Suspense File.

AB 2594 (Gordon) Stormwater resources: use of captured water – Support

This bill will authorize a public entity that captures stormwater from urban areas, in accordance with a stormwater resources plan, and before the water reaches a natural channel, to use the captured water under certain circumstances.

Status: Signed into law by Governor Brown on September 23, 2016.

AB 2601 (Eggman) Building standards: residential property: graywater – Support

This bill would have required the Department of Housing and Community Development to adopt and submit to the California Building Standards Commission for approval amendments to the building standards adopted pursuant to specified provisions that require that all new single-family and duplex residential dwelling units include specified components to allow the separate discharge of graywater for direct irrigation, and that all new single-family residential dwelling units include a segregated building drain for lavatories, showers, and bathtubs to allow for future installation of a distributed graywater system.

Status: Held in Assembly Housing & Community Development Committee.

TELECOMMUNICATIONS

AB 2788 (Gatto) Wireless telecommunications facilities – Oppose

This bill would have allowed small cell wireless telecommunications facilities to be installed without being subject to local permits and approval processes.

Status: Held in Senate Energy, Utilities & Communications Committee.