STATE UPDATE

After the Legislature returned from Spring Recess, legislators had only five working days to pass fiscal bills out of their assigned policy committees before the April 26 deadline. This is the first step in the legislative process for bills to either move forward to their appropriations committees or “die” in their house of origin. There have been nearly 3,000 bills introduced in the first year of this two-year session and only 330 of them failed passage before the April 26 deadline. Those bills are now two-year bills and will be considered again in January 2020.

This policy committee deadline is not only the first time that bills are considered by committees, but also provides the public with their first opportunity to voice their opposition or support for a bill. As a result, Sacramento hosted a myriad of demonstrators and activists in April expressing their opinions on a variety of topics, including police use of force, vaccination exemptions, homelessness, and housing.

Below is a list of key upcoming deadlines in the Legislature:

- **May 3** – Last day for policy committees to hear and report non-fiscal bills to the floor
- **May 14** – Governor to release May Revise of the State Budget
- **May 17** – Last day for fiscal committees to refer bills to the floor
- **May 31** – Last day for bills to be passed out of their house of origin

**Housing**

This year’s legislative housing package will be closely monitored as it seeks to streamline building affordable housing in all jurisdictions but does not take into consideration the additional revenue that will be needed for Fire Districts and municipal fire departments to accommodate growth.

SB 50 (Wiener), this year’s comprehensive housing legislation, passed the Senate Governance and Finance Committee on April 24. It will now be considered in the Senate Appropriations Committee prior to the deadline on May 17. After a last-minute compromise between Senator Weiner and the
Chair of the Senate Governance and Finance Committee, Senator Mike McGuire, SB 4 (McGuire), considered to be the competing Senate housing measure, has been held in committee.

SB 50 aims to increase housing in high-density transit hubs throughout the state by requiring up-zoning and density minimums. The bill was substantially amended last week prior to its approval by the Senate Governance and Finance Committee. Below is a summary of the relevant adopted amendments:

**Statewide provisions**

- Sensitive communities agreement with housing advocates:
  - Prioritize designated high-segregation, poverty stricken, and low-resource areas.
  - Target communities that have been adversely affected by pollution, as defined by the State Office of Environmental Health Hazard Assessment (OEHHA).
  - Include federally recognized low-income households as defined by the 2019 Housing and Urban (HUD) development qualified census tracts.
  - COGs will run a process to identify sensitive communities with minimum requirements for outreach to disadvantaged populations.
  - Opt in before July 1, 2025 to planning process based on petition with 20% population in census tract signing and specified outreach requirements.

- Changes to ensure offsite affordable housing is actually built, no certificate of occupancy on market rate without building permit, and must be near transit and within half mile of original project site.

- Commitment to include inclusionary percentages that are worked out with housing advocates and agreeable to the Senate Governance and Finance Committee.

- Creation of fourplexes by right (regardless of jurisdiction population) in residential areas on vacant land and allows conversions of existing structures—but no demolition, as follows:
  - 75% of exterior walls must be intact and no more than +15% increase square footage. Must also abide by all other local regulations (setbacks, lot coverage, FAR, height, etc).
  - Must include SB 35 limitations on eligible parcels.

- Exempt very high fire hazard severity zones.

- Exempt coastal zone in cities with populations less than 50,000.

- Restrict bill to infill parcels in coastal zone regardless of jurisdiction size.

In counties over 600,000 population:

- SB 50 zoning provisions regarding rail, ferry, job rich, and bus stop (as modified below):
  - Exempt contributing parcels in legislatively-adopted historic districts in existence as of 2010, and density bonus language going forward
  - Bus stops: Shorten headways to 10 minutes during peak times to qualify. Clarify that it’s each line going in each direction. Must have met the headway standard for the past 5 years.

- SB 50 parking (no parking around rail, 0.5 spaces per unit minimum elsewhere)

As SB 50 moves forward, TPA will continue to advocate for increased flexibility and local control so cities can determine the housing options that are best for their communities.

SB 13 (Wieckowski) would prohibit impact fees on accessory dwelling units (ADUs) smaller than 750 square feet and significantly limit the impact fees that can be charged for larger ADUs. Given that revenue for local governments is tightly restricted by the California Constitution, fees are one of the few ways special districts can offset the indirect costs of growth. Impact fees are critical for fire protection, and other types of districts trying to recoup their costs for providing infrastructure and
services to new ADU developments. This bill is currently in the Senate Appropriations Committee and will be heard on May 6, 2019.

**FEDERAL UPDATE**

In April, the House and Senate Appropriations Committees collected appropriations requests from members of Congress in order to inform line item amounts in upcoming appropriations bills. There will be committee markups on the budget starting this week and continuing over the next several weeks, followed by bills moving forward to the floor in the coming months.

As April ends, lawmakers are returning from a two-week break with the House taking up legislation addressing climate change, and the Senate considering more of President Donald Trump's nominations.

**Appropriations Markups**

House Democrats released their biggest fiscal 2020 domestic spending bill this afternoon, starting a race to finish as much appropriations work as possible by the end of June.

The Labor-HHS-Education bill held a subcommittee markup on Tuesday. Subcommittee Chairwoman Rosa DeLauro (D-CT) has pushed for a generous top-line allocation for the bill. That allocation totaled $177.1 billion in fiscal 2019. The measure is considered one of the most difficult spending bills to negotiate, and funding for child detention facilities under the HHS Office of Refugee Resettlement has been a particularly contentious issue.

House appropriators also plan subcommittee markups on Wednesday of their Military Construction-Veterans Affairs and Legislative Branch bills. House appropriators have yet to agree on top-line allocations for all 12 subcommittees, which they plan to vote on at the first full committee markup, possibly next week. Those allocations will be scrutinized.

**Census**

This past week, the Supreme Court heard oral arguments on the issue of adding a citizenship question to the 2020 Census. Based on the arguments, it seems likely that the Supreme Court will side with the Trump Administration and allow the Census to include a citizenship question.

The Supreme Court is expected to issue a ruling by June. The Census form will be printed soon after.

An analysis by census officials found that nearly 6 percent of households with at least one noncitizen, or roughly 6.5 million people, would go uncounted with a citizenship question on the 2020 Census. It is also predicted to cost California and other states a seat in Congress.

While in Washington, various agencies stressed to TPA the importance of promoting and helping with census efforts as much of federal funding in tied to the updated census numbers.
PRIORITY LEGISLATION

On April 15, 2019 the Legislative Ad-Hoc met to discuss and take positions on the following bills:

- Assembly Constitutional Amendment 1 (Aguiar-Curry)—Proposes amendments to the California Constitution to allow a city, county, or special district, with 55 percent voter approval, to incur bonded indebtedness or impose specified special taxes to fund projects for affordable housing, permanent supportive housing, or public infrastructure. **The District has taken a SUPPORT position on this bill.**

- Assembly Bill 1116 (Grayson) Would create the Firefighter Peer Support and Crisis Referral Services Pilot Program. The bill would, for purposes of the act, define a “peer support team” as a team composed of emergency service personnel, hospital staff, clergy, and educators who have been appointed to the team by a Peer Support Labor-Management Committee, as defined, and who have completed a peer support training course developed and delivered by the California Firefighter Joint Apprenticeship Committee. This bill is sponsored by the California Professional Firefighters and supported by the Fire Districts Association of California. **The District has taken a SUPPORT position on this bill.**

- Assembly Bill 1486 (Ting) would expand the definition of “local agency” to include sewer, water, utility, and local and regional park districts, joint powers authorities, successor agencies to former redevelopment agencies, housing authorities, and other political subdivisions of this state and any instrumentality thereof that is empowered to acquire and hold real property, thereby requiring these entities to comply with these requirements for the disposal of surplus land. This bill is opposed by the California Special District’s Association. **The District has taken an OPPOSE position.**

- Senate Bill 438 (Hertzberg) prohibits a public agency from delegating, assigning, or contracting for 911 call processing or emergency notification duties regarding the dispatch of emergency response resources unless the delegation or assignment is to, or the contract is with, another public agency or made pursuant to a joint powers agreement or cooperative agreement. **The District has taken a SUPPORT position on this bill.**