MEMORANDUM

To: East Contra Costa Fire Protection District
From: Townsend Public Affairs
Date: September 5, 2019
Subject: Monthly Report — August 2019

State Legislative Update

On August 12, the Legislature reconvened from its month-long Summer recess to complete this year’s legislative agenda. Only two weeks remain in the 2019 legislative session. The Legislature has moved to floor session only in both houses to consider the remaining active bills for this year. Furthermore, August 30 was the last day for fiscal committees to report bills to the floor. Approximately 600 bills were considered by the Appropriations Committees in a span of just a few hours during their Suspense File hearings on August 30. The Legislature currently has over 800 bills to still consider and hear on the floor prior to the September 13 deadline.

Below is a list of the remaining legislative deadlines for 2019:

September 3-13 – Floor session only
September 6 – Last day to amend bills on the floor
September 13 – Last day for each house to pass bills. Legislature recesses for Interim Recess
October 13 – Last day for Governor to sign or veto bills passed by the Legislature

During the last two weeks of session, the Legislature is expected to focus heavily on measures related to housing, environmental protection, vaccines, and labor classification. Specifically, the Senate Appropriations Committee recently advanced a high-profile bill that would require companies such as Uber and Lyft to classify workers as employees instead of independent contractors. Companies that employ certain independent contractors would be required to provide workers with benefits such as overtime and sick leave, and would be required to pay them a minimum wage. Governor Newsom expressed his support for the bill while Uber and Lyft have vowed to introduce a state ballot measure to overturn the bill if it passes the Legislature and is signed into law. The measure, AB 5, is expected to be a focal point of discussion in the last two weeks of the session.

State Bond Measures

In August, two bills were gut and amended to place bond measures on the 2020 State ballot. The bills would both require two-thirds approval from the Legislature before going to California voters on November 3, 2020. Each measure would issue approximately $4 billion in general obligation bonds to address climate change, wildfires, park parks, water, and flood management.
Although these bills are likely to be made two-year bills, TPA has been meeting with the bill’s authors and stakeholders to advocate for funding that will benefit the City’s priorities. Below is a summary of the two draft bond measures as they currently stand:

**AB 352 (Garcia) – Wildfire Prevention, Safe Drinking Water, Drought Preparation & Flood Protection Bond Act of 2020**

Total Funding: $3.92 billion

Breakdown:

- $1.25 billion for natural disaster/climate change resilience
- $925 million for safe drinking water
- $725 million for parks
- $475 million for fish and wildlife
- $100 million for agriculture
- $215 million for coastal protection
- $230 million for climate education

According to the author’s office, AB 352 is expected to become a two-year bill.

**SB 45 (Allen) – Wildfire, Drought, Flood Protection Bond Act of 2020**

Total Funding: $4.1 billion

Breakdown:

- $1 billion for reducing wildfire risk
- $200 million for areas impacted by wildfires
- $600 million for healthy forests and watersheds
- $300 million for urban climate impact reductions
- $600 million for protecting water supply and water quality
- $300 million for rivers, lakes and streams
- $300 million for multi-benefit flood management
- $300 million for fish and wildlife
- $200 million for agriculture
- $300 million for coastal lands
- $150 million for regional climate resilience
- $50 million for workforce development

SB 45 has been re-referred to the Senate Appropriations Committee.

Additionally, a third bond measure, AB 1298 by Assemblymember Mullin (D-San Mateo), is expected to be amended to include funding for similar initiatives. Assemblymember Mullin’s AB 1298 is expected to be joined with Assembly Member Garcia’s AB 352 prior to any further action. TPA will continue to provide timely updates regarding these bond measures and their potential impacts on the City.
Split Role Tax

On August 13, ballot organizers submitted initiative 17-0055, The California Schools and Local Communities Funding Act to be eligible for the November 3, 2020 general election. The ballot measure, commonly referred to as “Split Roll” or “Proposition 13 Reform,” requires certain commercial and industrial real property to be taxed based on fair-market value and dedicates portions of any increased revenue to education and local services. This change to assessment of property taxes is likely to result in an additional $10.8 – $12 billion in annual revenues across the state, of which 40 percent would go to education and 60 percent would go to local services.

Proposition 13 Background

The People’s Initiative to Limit Property Taxation, or Proposition 13, was passed in 1978 in response to increasing property values and the corresponding increases in property taxes. Proposition 13 ensures that valuations of property may not grow by more than 2 percent annually and that market value reassessment may only occur with a change of ownership or the completion of new construction. Proposition 13 also created a requirement that all state and local tax increases must be approved by a two-thirds vote of the voting public or the Legislature.

Proposition 13 was intended to prevent increasing property values and taxes from making homeownership too costly for residents. However, the measure did not differentiate between residential properties and commercial properties. Residential properties change ownership, and are therefore reassessed, every 10 years on average. Larger commercial properties in the State rarely change ownership and are therefore not reassessed on a regular basis. The unintended result has been that the proportion of property tax revenues paid by residents and commercial owners have shifted over the last 40 years.

Commercial property taxes accounted for roughly 50 percent of property tax revenue prior to Proposition 13. Today, that number is closer to 28 percent, and a variety of independent studies have shown that this shift represents roughly $11 billion per year over the last decade that would have otherwise been paid in property taxes by commercial entities.

In an effort to address this shifting dynamic, proponents of the split roll reform have proposed returning certain commercial properties to the previous assessment schedule—every three years—while allowing residential property owners to still benefit from the property tax protections put forth under Proposition 13.

Support and Opposition

Although California is more than a year away from the 2020 General Election, campaigns are already rolling out in support and opposition to the split roll reform.

Proponents of the measure argue that the corporations have been abusing the intent of Proposition 13 to avoid paying their fair-share and note that the $11 billion in annual revenues would have gone to supporting schools, county and city services, and other local needs. They also state that reassessment of property taxes will level the playing field for small business that are adversely impacted by newer property rates and shift land-use policy to make building affordable housing more appealing.

Opponents of the measure argue that taxes in California are already too high and that creating a split property tax policy will create a more hostile business climate throughout the state. They also
note that dramatic increases for locally owned business could cause some companies to go out of business and could drive larger entities to other markets, resulting in increased unemployment and lower overall revenues for the State.

As of the July 31 filing deadline, seven independent expenditure committees have filed with the Secretary of State in support of the initiative. These committees reported having $2,278,050 cash on hand. One independent expenditure committee has filed in opposition to the measure, with a total of $182,686 cash on hand.

**Next Steps**

Proponents of the ballot initiative have indicated that they intend to refile the initiative to include the following changes:

- Expanded small business protections
- Stronger education financing language to ensure every school receives funding equitably
- Stronger zoning language to ensure large corporations cannot avoid reassessment

TPA will continue to monitor this issue, provide timely updates, and determine the impact of this ballot initiative to the City.

**Cap and Trade Auction**

On August 27, the California Air Resources Board (CARB) conducted their third Cap and Trade auction of 2019. The Cap and Trade program is a greenhouse gas emission reduction strategy that places a statewide cap on emissions and auctions off emission allowances on a quarterly basis. Major carbon emitters must bid on allowances in order to report their total emissions to the state each year. Once again, all available emission credits were sold, and the state expects to receive **over $730 million** from the August 2019 auction.

Revenues generated from the Cap and Trade program currently fund various transportation projects, affordable housing, and sustainable community programs. 40 percent of the revenue is available through the discretion of the Legislature for future appropriations for projects that will reduce greenhouse gas emissions.

The next Cap and Trade auction will take place in November 2019.

**Priority Legislation**

Below is an update of the priority legislation that TPA has been tracking for the City throughout the year’s legislative session:

**ACA 1 (Aguiar-Curry) – Local Government Financing**

This measure would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing
that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

This bill was taken up on the Assembly floor on August 19 where it failed to get the support to move forward. The author has made a commitment to continue her work on this topic.

Assembly Bill 1116 (Grayson) – Firefighters: peer support

AB 1116 would, until January 1, 2025, create the Firefighter Peer Support and Crisis Referral Services Pilot Program. Below is a continued summary of the bill’s highlights: The bill would, for purposes of the act, define a “peer support team” as a team composed of emergency service personnel, as defined, hospital staff, clergy, and educators who have been appointed to the team by a Peer Support Labor-Management Committee, and who have completed a peer support training course developed and delivered by the California Firefighter Joint Apprenticeship Committee.

AB 1116 provides that communications between emergency services personnel and a peer support team member, or a crisis hotline or crisis referral service, are confidential except under limited circumstances, including, among others, when disclosure is reasonably believed to be necessary to prevent death, substantial bodily harm, or commission of a crime.

AB 1116 is currently on the Senate Floor awaiting a vote.

AB 1483 (Grayson) – Mitigation Fee Act: Housing Development

This bill requires a city or county to post on its website each developer impact fee and other fees that are imposed that are applicable to a housing project. TPA is working with the author and CSDA on amendments to establish how far back that information will need to go back.

This bill is on the Senate floor. Should it be amended the bill will be referred to a policy committee followed by a floor vote.

AB 1484 (Grayson) – Mitigation Fee Act: Housing Development

This bill is expected to be amended to create a more stringent standard for development impact fees that cities and special districts may charge developers. The bill is a two-year bill. TPA will continue to monitor the status of this bill and provide timely updates as they become available. The District will partake in the informational hearings during the fall as amendments are being drafted.

AB 1484 is currently on the Senate floor but will be moved to the Senate Rules Committee for further discussions.

Senate Bill 13 (Wieckowski) – Accessory dwelling units

SB 13 would authorize the creation of accessory dwelling units in areas zoned to allow single-family or multifamily dwelling residential use.

This bill would revise the requirements for an accessory dwelling unit by providing that the accessory dwelling unit may be attached to, or located within, an attached garage, storage area,
or other structure, and that it does not exceed a specified amount of total floor area. The legislation prohibits a local agency from requiring owner occupancy for either the primary unit or the ADU and furthermore, prohibits a local agency from requiring owner occupancy as a condition for issuing a building permit for an ADU.

Streamlining and incentivizing ADU policy is being considered as part of the solution to the State’s housing crisis. The addition of ADU’s is concerning because it will put an added strain to the District’s capabilities of providing fire protection to residents.

SB 13 is on the Assembly floor awaiting a vote.

*Senate Bill 438 (Hertzberg) - Emergency medical services: dispatch*

SB 438 would prohibit a public agency from delegating, assigning, or contracting for “911” emergency call processing services for the dispatch of emergency response resources unless the delegation or assignment is to, or the contract or agreement is with, another public agency. Below is a continued summary of the bill’s highlights:

The bill would exempt from that prohibition a public agency that is a joint powers authority that delegated, assigned, or contracted for “911” call processing services on or before January 1, 2019, under certain conditions.

Requires a Public safety agency (PSA) that provides dispatch of prehospital emergency response resources to make a connection available from the PSA dispatch center to an EMS provider’s dispatch center for the timely transmission of emergency response information.

SB 438 passed off the Assembly floor with a vote of 68 to 7. The final Senate floor vote was 33 to 1. The bill has been ordered to engrossing and enrolling where the bill will be proofread for accuracy and then delivered to the Governor for final action. TPA will work with the District to submit a letter requesting the Governor sign SB 438.

**Federal Legislative Update**

Prior to recessing for the majority of the month of August, Congress focused primarily on the budget and debt ceiling. On August 1, the Senate approved a two-year, $2.7 trillion budget deal that raises the debt ceiling and lifts spending caps. In a 67-28 vote, the budget agreement narrowly cleared the 60-vote threshold. Five Democrats joined 23 Republicans in opposing the measure. President Trump’s signature of the agreement on August 2 eliminated $126 billion in automatic spending cuts and suspends the debt ceiling through July 2021. The bipartisan budget package also increases military and non-military spending by $320 billion above the budget caps that would have taken effect if Congress failed to stop the scheduled decreases in spending.

Under the deal, defense programs will see a 3 percent increase in fiscal year 2020, up to $738 billion. Non-defense programs would increase 4 percent over current levels to a total of $632 billion, which includes a $2.5 billion adjustment for the 2020 census. The agreement also includes approximately $77 billion in spending offsets, which are expected to be phased in over the course of the next decade.

Both chambers of Congress are scheduled to return from their six week recess on September 9, and Democrats are eager to tackle issues now center stage in the political sphere. Chief among
issues that are not appropriations-related will be gun control legislation, which remains at the forefront of political debate nearly a month after the mass shootings in El Paso, Texas, and Dayton, Ohio. Democrats and some Republicans are using September as the first opportunity to develop legislative measures to respond to gun violence, particularly legislation to strengthen background checks and allow law enforcement authorities to confiscate weapons using state “red flag” laws.

Fiscal Year 2020 Appropriations

Due to the August recess, no new progress on the appropriations process has been made. With the September 30 deadline looming, the Senate must work expeditiously to prevent a lapse in federal funding. The aforementioned budget deal does not specifically fund federal agencies and only sets the top line amounts. Thus, a government shutdown is possible if Congress fails to pass the 12 fiscal year 2020 funding bills.

As a reminder, to date, the House has passed 10 of its 12 fiscal year 2020 appropriations bills, while the Senate has not introduced any fiscal year 2020 appropriations bills. Because Senate appropriators indicated that they wanted to finalize a budget deal prior to introducing any appropriations bills, the Senate will not begin introducing and marking up legislation until after legislators return from August recess.

This delay means it is increasingly likely that at least one temporary stopgap funding measure (known as a Continuing Resolution) will be necessary to maintain federal funding.

PFAS Foam Ban

A recent fiscal analysis of the Senate’s fiscal 2020 National Defense Authorization bill revealed that the U.S. Department of Defense (DOD) would be responsible for nearly $3 billion to end its use of firefighting foams containing PFAS chemicals. The Congressional Budget Office (CBO), who is responsible for assessing the financial impacts of legislation, indicated that forcing the DOD to use a different type of foam would mean retrofitting all of its fire trucks and other fire prevention equipment. This decision on its own would cost more than $2 billion over the next five years.

PFAS chemicals, officially known as per- and polyfluoroalkyl substances, are commonly used in nonstick coatings and fire suppression foams. Such chemicals have been linked to numerous health problems, including cancer. These chemicals do not break down easily in the environment and have even contaminated groundwater supplies on and near military bases, where fire training exercises often take place.

Additionally, the CBO found that the bill would also impose “several billion dollars” in costs over the next five years on the country’s water utilities, who would be responsible for cleaning them out of the water supply. The bill requires the U.S. Environmental Protection Agency (EPA) to set federal drinking water standards for PFAS, which would require utilities to set up monitoring and filtering processes for the chemicals. The CBO indicated it could not develop a more specific estimate for the bill’s costs to utilities because such a figure would largely depend on how strict the EPA’s standards are.

The House also passed its own version of the annual defense appropriations bill, however the CBO has yet to develop a cost estimate for that bill. It should be noted that the House version also includes PFAS provisions similar to the Senate version. The House and Senate are expected to launch a conference committee next month to reconcile the two bills.
August 14, 2019

The Honorable Bob Wieckowski
California State Senate
State Capitol, Room 4085
Sacramento, CA 95814

RE: Senate Bill 13 (Wieckowski) – Oppose

Dear Senator Wieckowski:

On behalf of the East Contra Costa Fire Protection District, we are writing to you to respectfully voice our opposition to Senate Bill 13. This bill would revise the requirements for an accessory dwelling unit (ADU) by providing that the accessory dwelling unit may be attached to, or located within, an attached garage, storage area, or other structure, amongst other changes.

Senate Bill 13 would prohibit local jurisdictions from imposing any impact fees on ADUs less than 750 square feet and limit the charge on ADUs over 750 square feet to 25 percent of the fees otherwise charged for a new single-family dwelling on the same lot. This completely disregards the Mitigation Fee Act (MFA), which strictly regulates how local agencies impose impact fees. Arbitrarily capping these fees would result in an inability to provide the public improvements and public services necessary to meet the needs of the residents living in the newly constructed ADL.

The East Contra Costa Fire Protection District serves about 115,000 residents and our service area covers roughly 249 square miles. Based on the national standards, fifteen firefighters are required to adequately and safely fight a structure fire, which is more staffing than the District has at any one time, even when partnering with neighboring Protection Districts and CalFire.

We understand that the State is making the production of affordable housing a priority. Our opposition is not a challenge to the need for affordable housing, but a validation of the need for local flexibility when it comes to provide critical public safety. For these reasons, we respectfully oppose Senate Bill 13.

Sincerely,

Brian Helmick
Fire Chief

CC: Assemblymember Jim Frazier
    Senator Steve Glazer
    Ryan Gervase, Legislative Representative, California Special Districts Association
    Russell Noack, Public Policy Advocates, California Fire Chiefs Association and Fire Districts of California
8 August, 2019

The Honorable Robert Hertzberg  
California State Senate  
State Capitol Building, Room 313  
Sacramento, CA 95814

RE: SB 438 (Hertzberg) – Emergency Medical Services (SUPPORT)

Dear Senator Hertzberg:

On behalf of the East Contra Costa Fire Protection District (ECCFPD) we are pleased to support SB 438. This bill will prohibit 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.

ECCFPD is a rural funded fire district that protect approximately 249 square miles and over 114,000 residents. The district provides firefighting personnel and emergency medical services to the residents and businesses of the Cities of Brentwood and Oakley and to the Township of Discovery Bay, Bethel Island, Knightsen, Byron, Marsh Creek, and Morgan Territory.

Senate Bill 438 prohibits a public agency from outsourcing its local emergency dispatch services to a private, for-profit entity. Privatization results in an inherent pressure: the demand to turn a profit while caring for people in their most vulnerable moments.

This bill will ensure that the safety of all Californians is in the hands of a public agency, ensuring the best possible standard of emergency care. Again, we are happy to support SB 438, and thank you for all of your work on this important policy issue.

Sincerely,

Brian Helmick  
Fire Chief
August 14, 2019

The Honorable Rob Bonta
California State Assembly
State Capitol, Room 2148
Sacramento, CA 95814

RE: Assembly Bill 1705 (Bonta) – Support

Dear Assembly Member Bonta:

On behalf of the East Contra Costa Fire Protection District, we are pleased to write to you expressing our support for Assembly Bill 1705. This bill will exempt public ambulance providers from the quality assurance fee (QAF), data reporting, and the resulting Medi-Cal add on payments resulting from revenue from the QAF, if the Public Provider Intergovernmental Transfer Program (IGT) program is implemented.

Assembly Bill 1705 is intended to correct an unforeseen consequence of SB 523 (Hernandez). At the time, public providers of EMS believed that the QAF would result in a net revenue gain. However, when DHCS began modeling the actual impact of the QAF, it soon became apparent that number of public agencies, primarily fire districts, would suffer actual net losses of revenue.

Aside from ensuring that public agencies avoid suffering an actual net loss in revenues, AB 1705 “will ensure that that private EMS service providers are held harmless from the enactment of any subsequent legislation.”

Ensuring adequate compensation to public agencies that provide emergency medical transportation services will help them maintain their high levels of emergency response services and care, which will ultimately help save lives. Again, we are happy to support Assembly Bill 1705, and thank you for your work on this important policy issue.

Sincerely,

Brian Helmick
Fire Chief

CC: Assemblymember Jim Frazier
Senator Steve Glazer
Dillon Gibbons, Legislative Representative, California Special Districts Association
Russell Noack, Public Policy Advocate, California Fire Chiefs Association, Fire Districts of California
August 14, 2019

The Honorable Tim Grayson
California State Assembly
State Capitol Building, Room 4164
Sacramento, CA 95814

RE: AB 1116 (Grayson) – Peer Support. (SUPPORT)

Dear Assemblymember Grayson:

On behalf of the East Contra Costa Fire Protection District (ECCFPD) we are pleased to express our support for AB 1116, which establishes statewide standards for a Firefighter Peer Support Program with accompanying provisions to protect the confidentiality of the peer supporter and participants in the program.

While support services may be available in some cases, first responders are often reluctant to utilize them for reasons including fear of adverse job impacts, the stigma surrounding mental health issues, and the perception among emergency personnel that they must show no signs of weakness. Assembly Bill 1116 will help ensure that California’s first responders have access to trained peer support teams and peer support team members who are equipped to assist their fellow emergency service personnel.

Firefighters regularly respond to fires, stabbings, gun battles and shootings, domestic violence incidents, terrorist acts, automobile accidents, airplane crashes and earthquakes, just to name a few. Moreover, during the firestorms of this past decade, firefighters also have endured a growing stress while worrying about whether their own homes would burn down while on the fire lines protecting others -- often while the safety of their own family was threatened.

Ongoing budget constraints have also hindered the ECCFPD from providing a large scope of services, leading to several community leaders and residents considering proposals to detach from or dissolve the District. These limited resources are yet another added stressor for our firefighters.

By providing access to qualified, confidential support services we can ensure our first responders are not afraid to seek help, and most importantly, we can save lives. Again, we are happy to support Assembly Bill 1116, and thank you for your work on this important policy issue.

Sincerely,

Brian Helmick
Fire Chief