

To: East Contra Costa Fire Protection District
From: Townsend Public Affairs, Inc.
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Subject: Legislative Report for ECCFPD – February 2021

State Legislative Update

In February, Governor Newsom continued to hold regularly scheduled press events to highlight the State's work on distributing COVID-19 vaccines. The Governor has traveled to various parts of the State visiting vaccine sites and encouraging eligible Californians to receive their vaccine. The State has partnered with the Federal Emergency Management Agency (FEMA) to operate and staff several large community vaccination centers. The State has also set up a website titled "My Turn" where members of the public can check their eligibility, sign up for notifications, and schedule appointments.

Last month, state lawmakers were primarily focused on introducing new bills prior to the February 19th bill introduction deadline. Since the beginning of the 2021 legislative session, nearly 2,400 bills have been introduced, including nearly 1,600 Assembly Bills and just over 800 Senate Bills. In order to comply with Legislature's newly adopted COVID-19 rules, most bills that would typically be referred to multiple committees have been limited to one policy committee referral. The overall number of committee hearings will also be limited while each chamber has implemented strict cleaning and social distancing measures, which will reduce the number of rooms that can facilitate committee hearings.

In addition to working on new legislation, the Legislature began to hold Budget Subcommittee hearings to begin evaluating the various components of Governor Newsom's January Budget Proposal. The initial hearings that are being conducted by the Assembly and Senate Budget Subcommittees serve primarily to receive background and proposal information from the Department of Finance, impacted State Departments, the Legislative Analyst Office (LAO), and various stakeholders.

State Economic Stimulus Package

On February 23rd, the Governor signed several bills known as the State's Economic Stimulus Package, or Golden State Stimulus. The \$7.6 billion package was agreed upon by the Legislature's leadership and the Governor's Office. Highlights of the package are detailed below:

- **Direct Relief to Individuals and Families:** Provides \$600 in one-time relief to households receiving the California EITC for 2020. Provides a \$600 one-time payment to taxpayers with Individual Tax Identification Numbers (ITINs) who were precluded from receiving the \$1,200 per person federal payments issued last spring and the more recent \$600 federal



payments. Provides \$600 payments to households with ITINs and income below \$75,000. Provides direct relief to additional lower-income Californians through a \$600 one-time grant to households enrolled in the CalWORKS program and recipients of SSI/SSP and Cash Assistance Program for Immigrants (CAPI). Combined, the package represents a total of \$5.7 million payments to low-income Californians.

- **Immediate Relief for Small Businesses:** Provides \$2.1 billion – a four-fold increase over the \$500 million currently being distributed – for grants up to \$25,000 for small businesses impacted by the pandemic and allocates \$50 million of this total for non-profit cultural institutions.
- **Fee Waivers for Heavily Impacted Licensees:** Two years of fee relief for roughly 59,000 restaurants and bars licensed through the state’s Department of Alcoholic Beverage Control that can range annually from \$455 to \$1,235. The action also reflects fee relief for more than 600,000 barbering and cosmetology individuals and businesses licensed through the Department of Consumer Affairs.
- **More Resources for Critical Child Care:** Addition of just over \$400 million in new federal funds to provide stipends of \$525 per enrolled child for all state-subsidized childcare and preschool providers.
- **Additional Aid for Individuals and Families:** Provides an additional \$24 million for financial assistance and services through Housing for the Harvest. Also provides \$35 million for food banks and diapers.
- **Emergency Financial Relief to Support Community College Students:** Provides an additional \$100 million in emergency financial aid for qualifying low-income students carrying six or more units. Also provides \$20 million to reengage students who have either left their community college studies because of the pandemic or to engage students at risk of leaving.
- **CalFresh Student Outreach and Application Assistance:** Provides roughly \$6 million to support outreach and application assistance to University of California, California State University and California Community College students made newly eligible for CalFresh. Also provides \$12 million in state funds to support associated county administrative workload.

Wildfire Prevention and Resilience Early Action Plan

As part of his January Budget Proposal, Governor Newsom proposed a \$1 billion Wildfire Prevention and Resilience Early Action Plan. The Governor’s plan proposed to fund activities in the current year, as well as in FY 2021-22, utilizing a combination of general fund resources, as well as proceeds from State’s Greenhouse Gas Reduction Fund. The Governor’s proposal contains numerous funding proposals in the categories of Resilient Wildlands, Wildfire Fuel Breaks, Community Hardening, Science-Based Management, and Forestry Sector Economic Stimulus.



On March 2nd, the Senate Budget Subcommittee put forth their own Wildfire Prevention and Resilience Early Action Plan. Overall, the Senate Subcommittee's proposal is smaller than the Governor's proposal; however, it proposes to fund the entire plan utilizing state General Fund resources. The Subcommittee's proposal totals \$566 million and is spread over the same funding categories as the Governor's January Budget proposal.

While the Senate Budget Subcommittee provided specific dollar amounts for each of the components of their wildfire funding package, they also noted that their proposal should serve as the basis for negotiations, but the dollar amounts included should not be considered a ceiling. The Subcommittee indicated that their goal is to reach an agreement with the Governor, as well as the Assembly, that provides meaningful resources to improve the State's ability to mitigate the impacts of wildfires through FY 2021-22 and beyond.

The Assembly Budget Subcommittee has not released a wildfire proposal yet; however, they are working on developing a proposal. It is expected that their proposal will contain funding proposals in the same broad categories as the Senate and the Administration. Once the Assembly plan has been released, the three parties will work to reach an agreement, potentially in advance of the adoption of the full FY 2021-22 state budget in June.

COVID-19 Vaccines

The State continues to take an active role in the roll-out of COVID-19 vaccines. In addition to the COVID-19 website that provides case rates, re-opening guidelines, and regional information, the State has set up an additional website (myturn.ca.gov) to assist individuals with COVID-19 eligibility.

California is allocating vaccines as they become available to encourage equitable distribution and prioritization of certain individuals. As of now, only a portion of the State's population is eligible for the vaccine with the remainder of the State's population expected to be eligible later this Spring, depending on supply. Phase 1A (approximately 3 million individuals) are now eligible – this includes healthcare workers and long-term care residents. Phase 1B (approximately 12 million individuals) is also being rolled out as supplies allow – this phase includes those 65 and older, agriculture, education, and emergency service workers.

To date, approximately 8.2 million vaccines have been administered. Starting on March 1, the State will dedicate 10 percent (or approximately 75,000) of its vaccine supply to K-12 school staff and childcare workers. As of February 26, there has been approximately 3.4 million cases, 51,000 deaths, and 48 million tests.

Governor's COVID-19 Action Summary

Below is a summary of the major COVID-19 actions taken by the State Administration in February:

- **February 25 – Vaccines for Educators:** The State has announced a plan to dedicate a minimum of 10 percent of the vaccine supply to K-12 school staff and childcare workers to accelerate vaccine access for education workers. The plan will be officially implemented starting March 1.



- **February 18 –School Re-openings:** The Governor issued a statement regarding ongoing conversations and legislative proposals surrounding schools re-opening. The Governor highlighted the State’s plans, actions, and response to the conversations while stating that he hopes to “get our schools open...as safely and quickly as possible.” The Governor also stated that his plans are grounded in the same science endorsed by the CDC, Dr. Fauci, and the President.
- **February 12 – Safe Schools for All:** The Governor launched an interactive re-opening map as part of the State’s Safe Schools for All Plan. The map allows the public to view and receive information regarding the status of re-opening, safety planning, and support services available in each region.

Below are the upcoming relevant dates for the Legislature:

- February 19th** – Last day for bills to be introduced
- April 30th** – Last day for policy committees to pass fiscal bills
- May 7th** – Last day for policy committees to pass non-fiscal bills
- May 21st** – Last day for fiscal committees to pass bills
- June 4th** – Last day for bills to pass their House of Origin

Priority Legislation

The legislative deadline to introduce new bills passed on February 19th. All told, Legislature introduced just under 2,400 bills for consideration this year. All newly introduced bills must wait a minimum of 30 days before they can be considered by the Assembly or Senate; however, it is likely that most policy committees will conduct their bill hearings in late-March through the end of April.

Below are bills that have been introduced that may be of interest to the District.

AB 267 (Valladares) – CEQA: exemption: prescribed fire, thinning, and fuel reduction projects
 Current law, until January 1, 2023, exempts from the requirements of CEQA prescribed fire, thinning, or fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the federal National Environmental Policy Act of 1969. Current law requires the Department of Forestry and Fire Protection, beginning December 31, 2019, and annually thereafter until January 1, 2023, to report to the relevant policy committees of the Legislature the number of times the exemption was used. This bill would extend the exemption from CEQA and the requirement on the department to report to the relevant policy committees of the Legislature indefinitely.

AB 297 (Gallagher) – Fire prevention
 This bill would continuously appropriate \$500 million to the Department of Forestry and Fire Prevention and the California Conservation Corps for fire prevention activities.

AB 339 (Lee) – State and Local Governments: open meetings
 Current law requires all meetings of a house of the Legislature or a committee thereof to be open and public and requires all persons to be permitted to attend the meetings. This bill would require all meetings, including gatherings using teleconference technology, to include an opportunity for



all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public.

ACA 1 (Aguiar-Curry) – Affordable housing and public infrastructure: voter approval

The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that 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.

SB 12 (McGuire) – Planning and Zoning: wildfires

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse.

SB 55 (Stern) – Very high fire hazard severity zone: development prohibition

Would, in furtherance of specified state housing production and wildfire mitigation goals, prohibit the creation or approval of a new development, as defined, in a very high fire hazard severity zone or a state responsibility area. By imposing new duties on local governments with respect to the approval of new developments in very high fire hazard severity zones and state responsibility areas, this bill would impose a state-mandated local program.

SB 109 (Dodd) – Office of Wildfire Technology Research and Development

Would establish the Office of Wildfire Technology Research and Development within the Office of Emergency Services under the direct control of the Director of the Office of Emergency Services. The bill would make the office responsible for studying, testing, and advising regarding procurement of emerging technologies and tools in order to more effectively prevent and suppress wildfires, and serving as the central organizing hub for the state government's identification of emerging wildfire technologies.

SB 206 (McGuire) – Firefighters Procedural Bill of Rights

The Firefighters Procedural Bill of Rights Act grants certain employment rights to firefighters. Among other things, under the act, when a firefighter is under investigation and is interrogated by the firefighter's commanding officer, or another member of the employing agency, on matters that could lead to punitive action, the interrogation must be conducted pursuant to certain requirements. Current law defines "punitive action" for these purposes as any action that may lead to dismissal, demotion, suspension, reduction in salary, written reprimand, or transfer for



purposes of punishment. This bill would include in the definition of “firefighter” a temporary, seasonal firefighter employed by the Department of Forestry and Fire Protection.

Federal Legislative Update

In February, much of the focus of Congress was centered around the Senate’s consideration of the impeachment of former President Trump. Ultimately, the Senate voted to acquit the former for inciting violent events on January 6, 2021. After dealing with the impeachment, Congress immediately shifted focus to negotiations and considerations for the next coronavirus relief bill.

“Phase 5” Coronavirus Aid Package

With the swearing in of President Biden and Democrats taking control of the Senate, Congress immediately began to work on another coronavirus aid package, and specifically looking to President Biden’s “American Rescue Plan” and Democratic priorities that did not get into the “Phase 4” package that passed in December.

Among other provisions, the bill proposes \$350 billion for state and local government assistance that can be used to address the coronavirus pandemic or to repair revenue lost, reduced, or delayed due to the pandemic. Of the \$350 billion allocated, 60 percent of the funds would go to States (including \$26.3 billion to California) and 40 percent to localities. Local governments would receive \$130.2 billion, divided evenly between cities and counties, based on the CDBG formula. Local governments of every size would receive dedicated allotments, and funds will be available until expended. In addition, language was included in the state and local government funding section that allows states and local governments to subgrant funding out to special districts to help with their impacts from the coronavirus pandemic. While the language does not directly provide funding to special districts, the language stating that special districts can receive funding is something that has not been included in previous legislation and provides an avenue to work with states and local governments to access relief funding.

On February 26th, the House passed the American Rescue Plan Act by a vote of 219-212 with two Democrats and all Republicans opposing the bill. The Senate is expected to remove a provision that would increase the federal minimum wage to make the bill acceptable under the rules of reconciliation. Should the bill pass the Senate with amendments, it will need to go back to the House for a vote before being sent to the President for his signature.

Infrastructure

House and Senate leadership announced their plans to push forward on an infrastructure package after the next coronavirus relief bill is wrapped up next month. On February 24th, the Senate Environment and Public Works (EPW) Committee held a hearing on President Biden’s plan to invest in transportation and infrastructure while addressing climate change, equity, and innovation goals. This is the first EPW hearing looking specifically at next steps for a potential proposal, a top priority for President Biden, which lawmakers expect will roll out by May. Senators stressed that mayors are going to play a big role on this legislation going forward, highlighted that mayors, not the state, must be allowed to make local decisions, and emphasized the extreme cost of natural disasters on infrastructure.



FEMA Reimbursement

In a change from previous guidance, the White House indicated that the new 100 percent Public Assistance reimbursements would be retroactive to January 2020 for all eligible activities. No additional action will be needed from applicants to receive the additional 25 percent match for approved activities.

Small Business

The White House announced changes it would make to the Paycheck Protection Program. The Administration plans to:

- Institute a 14-day period during which only businesses with fewer than 20 employees can apply for relief through the Program. 98 percent of small businesses have fewer than 20 employees.
- Revise the loan calculation formula for sole proprietors, independent contractors, and self-employed individuals so that it offers more relief
- Establish a \$1 billion set aside for sole proprietors, independent contractors, and self-employed individuals without employees located in low- and moderate-income (LMI) areas.
- Allow small business owners with prior non-fraud felony convictions from obtaining relief through the Paycheck Protection Program.
- Allow small business owners who are delinquent on their federal student loans from obtaining relief through the Paycheck Protection Program.
- Clarifying that non-citizen small business owners who are lawful U.S. residents may use Individual Taxpayer Identification Numbers (ITINs) to apply for relief.

Rental Assistance

The U.S. Department of the Treasury released a new FAQ document to help states and communities quickly distribute more than \$25 billion in emergency rental assistance to renters in need. Under the updated FAQ:

- Renters may self-attest to meeting most eligibility criteria, including income, housing stability, and the amount of back rent owed, provided that certain safeguards are met. This will help reduce the burden on program administrators and renters when applying for assistance.
- The timeframe is shortened from 21 days to as little as 10 days before assistance can be provided directly to tenants in cases when landlords refuse to participate in the program.
- Assistance can cover home internet costs needed for distance learning, telework, and telehealth, helping to keep families connected to school, work, and healthcare.
- Some of the funds may be used to provide legal assistance to renters facing eviction under certain conditions.
- Programs can provide up to 10% of funds for stability services, correcting an error made in the Trump-era guidance previously issued.



Homeowner Assistance

In order to address coronavirus impacts to homeowners, President Biden and HUD announced in February that they will:

- Extend the timeframe for homeowners to request the start of a COVID-19 forbearance from their mortgage servicer through June 30, 2021.
- Expand the COVID-19 forbearance to allow up to two forbearance extensions of up to three months each for homeowners who requested a COVID-19 forbearance on or before June 30, 2020. These additional forbearance extensions will provide relief to homeowners in this situation who will be nearing the end of their maximum 12-month forbearance period and have not yet stabilized their financial situation.
- Expand the use of FHA's streamlined COVID-19 loss mitigation home retention and home disposition options to all homeowners who are behind on their mortgage payments by at least 90 days. This expansion will require mortgage servicers to assess more homeowners for a streamlined waterfall of loss mitigation home retention options, starting with FHA's COVID-19 Standalone Partial Claim.

District Legislative Priorities

TPA works to further the mission of the East Contra Costa Fire Protection District in Sacramento and Washington DC. In addition to providing feedback on the priorities of the State and Federal government, the District has its own priorities that we continue to advance.

Legislative Priority 1 – Chapter 13 EMS System Modifications

California operates on a two-tiered emergency medical services (EMS) system. EMSA is the lead agency and centralized resource to oversee emergency and disaster medical services. The California Emergency Medical Services Authority (EMSA) is charged with providing leadership in developing and implementing local EMS systems throughout California, and in setting standards for the training and scope of practice of various levels of EMS personnel. California has 33 local EMS systems that provide EMS for California's 58 counties.

Local EMS agencies are responsible for planning, implementing, and managing local trauma care systems, including assessing needs, developing the system design, designating trauma care centers, collecting trauma care data, and providing quality assurance.

In late 2019, EMSA issued proposed Chapter 13 regulations that would have aimed to define the standards, policies, and procedures for all local EMS systems. Additionally, the proposed regulations would have clarified and made specific criteria for determining whether a city or fire district that has contracted for, or provided prehospital EMS as of June 1, 1980, has consistently provided that service without any reduction in the level of service since that time. The regulations would have also made specific criteria for the determining when an exclusive operating area may be created without a competitive process and the process to be used when awarding an exclusive operating area via a competitive process.



The EMSA proposed regulations garnered opposition from numerous entities. Additionally, CFCA's legal counsel requested that EMSA withdraw the proposed Chapter 13 regulations for failure to comply with certain substantive and procedural requirements for rulemaking under the Administrative Procedures Act. Ultimately, in August 2020, EMSA gave notice that it decided not to proceed with the rule making action related to Chapter 13.

While EMSA has withdrawn its previous regulatory proposal, it is possible that they could re-initiate the rule-making process or pursue statutory changes through the Legislature. TPA is coordinating efforts with the District to be prepared in the event of future legislative or regulatory action. TPA has provided the District with more detailed background information on this subject and possible avenues for action. Additionally, TPA has working to coordinate with industry partners to educate legislators and staff on this issue, as well as to prepare for any potential legislative or regulatory action.

There have been two bills introduced in the current legislative session directly related to local EMS agencies, SB 232 (Nielsen) and AB 389 (Grayson). SB 232 is currently a spot bill and cannot be considered in its current form. We have reached out to the Senator's office to determine if they have specific plans for the measure. AB 389 would authorize a county to contract for emergency services with a fire protection district that is governed by the county's board of supervisors and provides those services through a written contract with a private ambulance provider. This bill would also authorize a fire protection district to enter into a written subcontract with a private ambulance service. TPA has reached out to the Assembly Member's office to request additional background information on the bill. AB 389 has been referred to the Assembly Health Committee, but it has not yet been set for a hearing.

Legislative Priority 2 – Job Order Contracting

Job order contracting is a procedure that allows for the awarding of contracts based on prices for specific construction tasks, rather than bids, for a specific project. A catalog or book identifies all work that could be performed, typically maintenance or modernization, and the unit prices for each of those tasks. The tasks are based on accepted industry standards and process include the cost of materials, labor, and equipment for performing the work, but exclude overhead and profit. A contractor, who has been prequalified, rather than bid a total price for the project, will bid an adjustment factor, which reflects specified costs, to the preset unit prices.

The State Legislature first authorized job order contracting on a pilot basis at Los Angeles Unified School District from 2004 through 2007. The Legislature later extended and modified the pilot program. Based on the results of the pilot program, legislation was approved in 2015 that authorized all school districts that have entered into a project labor agreement to utilize job order contracting. Additional legislation was approved in 2017, which further authorized community college districts that have entered into a project labor agreement to utilize job order contracting.

Current law does not provide special districts with the ability to utilize job order contracting and legislation would be needed to grant this permission. Since job order contracting is utilizes accepted industry standards to form the basis of the preset unit prices for work to be performed, it is likely that legislation would need to apply to a class of special districts, such as fire protection districts, to make practical sense.



As noted above, previously approved bills related to job order contracting has limited its use to those to those that have entered into a project labor agreement that applies to all public works in excess of \$25,000. Given the politics surrounding the previous legislative efforts, it is unlikely that future job order contracting legislation will be successful unless it contains the existing provisions related to project labor agreements. As such, the District may wish to consider the potential benefits of job order contracting, in conjunction with other actions it that may be required to take in order to utilize job order contracting.

Prior to the bill introduction deadline, Assembly Member Low introduced AB 846, related to job order contracting. This bill would extend the current December 31, 2021 sunset date that allows school districts and community colleges to utilize job order contracting until January 1, 2027. Additionally, the bill modifies the job order contracting provisions to specify that any entity awarded a contract in excess of \$25,000 shall provide an enforceable commitment that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the job order contract that falls within an apprenticeable occupation in the building and construction trades. AB 846 has been referred to the Assembly Higher Education Committee but has not yet been set for a hearing date.

If the District would be interested in utilizing job order contracting, under these conditions, TPA can reach out to the author's office to gauge their interest in adding additional types of public agencies to the provisions of the bill.

Legislative Priority 3 – Mitigation Fee Act

Under existing law, the Mitigation Fee Act authorizes local agencies to impose fees to offset the impacts of new development in the form of new services and/or facilities required. The Mitigation Fee Act also imposes a variety of administrative requirements on the fees collected. No voter approval is required to impose impact fees. The same does not apply to a District board, who is prohibited from charging a fee on new construction or development.

Last year, numerous bills were introduced that attempted to modify the Act in ways that would have resulted in a decreased ability for public agencies to collect impact fees. The aim of these legislative efforts has been to reduce the overall cost of housing in California and provide more opportunities for home ownership or for people to be able to afford to rent housing near employment centers.

This year there have not been nearly as many bills introduced dealing with mitigation fees as there were last year. Building on the roundtable discussions that were held early last year, Assembly Member Grayson has introduced two measures, AB 602 and AB 678, to continue the conversation around mitigation fees. Currently, both measures are spot bills. TPA has been in contact with Assembly Member Grayson's office regarding the two measures and at this point, the plan is to amend AB 602 and move it this year, but not move AB 678.

The current plan for AB 602 is to include amendments related to nexus studies, including best practices and standards for transparency, assessment based on proportional square footage, and cleanup on posting fee schedules. These amendments are intended to be a starting point for conversations, and additional language may be considered as the bill moves through the legislative process. AB 602 will need to be amended before it can be referred to a policy



committee for consideration. It is likely that the bill will not be considered in policy committee until mid- to late-April.

Legislative Priority 4 – Professional Services

Under existing law, the Public Contract Code provides that contracts over \$25,000 must be awarded to the lowest bidder. In addition to be a low threshold, Section 20812 is inconsistent with the requirements for many public agencies, and inconsistent with other laws pertaining to Professional and Special Services.

This session legislation has been introduced by Assembly Member Gallagher, AB 577, which would establish a \$50,000 threshold amount for county drainage districts, levee districts, and reclamation districts for the requirement to award to the lowest bidder. AB 577 has been referred to the Assembly Local Government Committee for consideration.

Assembly Member Gallagher has previously introduced legislation related to issues of fire safety and prevention. The Assembly Member has experience with issues related to wildfires, as his district includes the Town of Paradise. It is likely that the Assembly Member would be willing to entertain amendments to his bill to expand its provisions to include fire protection districts. TPA is reaching out to the Assembly Member's office to gauge his willingness to amend his bill, as well as to gauge the likelihood that this measure will be considered by the Local Government Committee.

Legislative Priority 5 – Parcel Tax

Currently, a parcel tax requires a two-thirds vote to pass and must be applied to all parcels equally. This means that a residential property, a commercial property, and an undeveloped property would have to be assessed the same amount for fire service even though they place different levels of demand for service on the Fire District.

On December 7th, Assembly Member Aguiar-Curry reintroduced ACA 1 which would create an exception to the 1% limit that would authorize a city, county, or special district to levy an ad valorem tax to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, if the proposed tax measure is approved by 55% of voters. For purposes of the bill, "public infrastructure" includes public safety buildings or facilities, equipment related to fire suppression, emergency response equipment, or interoperable communications equipment for direct and exclusive use by fire, emergency response, police, or sheriff personnel.

Last year, ACA 1 was supported by a coalition of individual public agencies and associations, including: California Special Districts Association, League of California Cities, California State Association of Counties, East Bay MUD, and East Bay Parks. The measure also received significant support from labor, including from California Professional Firefighters.

While ACA 1 was introduced in December, it has not yet been referred to policy committee. It is likely that the bill will be referred later in February and may be considered by a policy committee in March or April.



Legislative Priority 6 – Proposition 218

Proposition 218 restrict local governments' ability to impose assessments and property-related fees, as well as requires elections to approve many local government revenue raising methods. Over time, the responsibilities expected of local fire districts have grown, however, their share of local tax revenue has not grown to meet the increased demand.

Every few years, efforts have failed to modify the State Constitution to reduce the vote threshold for parcel tax measures to 55%. That included an effort earlier in the 2019-20 legislative session, ACA 1 (Aguilar-Curry). While that measure was unsuccessful, the Legislature was able to approve a measure, ACA 11 (Mullin), for the November ballot, which will appear as Proposition 19. If approved by voters, Proposition 19 would allow homeowners who are over 55, disabled, or victims of wildfire or natural disaster to transfer their primary residence's property tax base value to a replacement residence of any value, anywhere in the state. An individual could use these rules up to three times in their lifetime. The measure would also limit the ability of new homeowners who inherit properties to keep their parents' or grandparents' low property tax payments. The measure would allocate most resulting state revenue to fire protection services and reimbursement to local governments for taxation-related changes. If approved, Proposition 19 may create a funding stream that the District can access.

In addition to ACA 11, the Legislature also approved SB 1386 (Moore), which subsequently signed into law by Governor Newsom. SB 1386, which received bi-partisan unanimous support in the Legislature, declares that fire hydrants are part of water service, for the purposes of Proposition 218. This bill is an important measure that can be enacted to protect fire hydrant system funding that would not increase water rates because the costs of fire hydrant system maintenance and operation are already appropriately embedded in customers' water rates. The success of SB 1386 may lead to additional legislation to amend the statutory definitions surrounding Proposition 218.

Legislative Priority 7 – Building a Coalition

With the assistance of the California Special District's Association and the California Fire District's Association, TPA is working to build a coalition with other special fire districts in California that are impacted by Proposition 13 allocations, and growth since Proposition 13 was enacted. This coalition will also provide support for the long-term priorities listed above, as well as future priorities. A coalition will support efforts to show the long-term implications of Proposition 13 are a statewide issue and not unique to the District.

To date, the efforts to identify special districts that are similarly impacted by Proposition 13 have not resulted in a robust coalition. During the legislative interim, TPA will be re-doubling our efforts with our partners, as well as reaching out to new resources to assist in the identification of similar districts. TPA will be meeting with staff from the Senate Governance and Finance Committee, as well as the Assembly Local Government Committee, that work on Proposition 13-related issues to discuss how the District is impacted, as well as to determine if other special districts have raised this issue with committee staff. Additionally, we have reached out to the Senior Consultant on Local Government Issues within the Assembly Speaker's Office to determine if any other Assembly Members have raised this issue to the Speaker, which may help identify additional areas of the state where similar circumstances exist.

