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May 30, 2008

**Business Not As Usual**

By Paul McIntosh, Executive Director

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The 2008 legislative session has been anything but business as usual. Notwithstanding the \$24 billion, two-year deficit, there have been multiple other factors that have changed the dynamics and processes that legislators, staff, and the lobby corps are generally accustomed to for this time of year.

The year began with the Governor presenting his January Budget, which identified a \$14.5 billion deficit and called for the Third Extraordinary Session to address the state's fiscal crisis. (Recall that there had already been two Extraordinary Sessions since the Legislature adjourned in December; one for water and one for health care reform.) The Legislature met the 45-day timeline for action on mid-year cuts, despite the added timing and scheduling complications resulting from the early February Presidential Primary.

Term limits has resulted in a significant turnover of legislators and legislative staff. The February ballot included Proposition 93, which would have modified legislative term limits. That measure failed, and leadership changes in both houses were subsequently announced, continuing what has become a constant trend of change in the Legislature.

In the months following the February election and the Legislature's mid-year budget action, the Capitol community held its collective breath until the May Revision to the Proposed Budget was released, which was seen as the next "illuminating" moment for the budget process. That edition of the budget pegged the budget year deficit at \$15.2 billion and added a \$2 billion reserve for a total gap of \$17.2 billion.

Although the May Revision established more definitively the scope of the ongoing deficit, it did not appear to provide the Legislature with a clear path to arriving at a mutually agreeable solution to close the budget gap. While budget subcommittees have held numerous hearings in the last two weeks — with more planned for next week, any broader negotiations of an overall budget deal have been clandestine. It is anticipated that after next Tuesday's primary, the Budget Conference Committee will begin its work in earnest.

In addition to the \$17.2 billion budget gap, there is an 800-pound gorilla hovering in the shadows. In a letter released May 29, the prison health care receiver told the State that there is an immediate need for \$70 million and budget-year need of \$3.43 billion to address critical needs in prison health care facilities. These resources will, unless another solution is identified in the short-term, come from the state's general fund, given that a legislative effort — SB 1665 (Machado) — that would have secured \$7 billion in primarily lease revenue bonds for prison medical beds failed on the Senate floor today. This action in the Senate also may affect the legal proceedings involving two cases before the federal three-judge panel involving prison overcrowding. Another hearing in the overcrowding cases is scheduled before the federal court today. Stay tuned ... It may well be a long, hot summer in Sacramento.

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## AdministrationofJustice

For more information, contact Elizabeth Howard at 916/327-7500, ext. 537 or [ehoward@counties.org](mailto:ehoward@counties.org) or Rosemary Lamb at 916/327-7500, ext. 503 or [rlamb@counties.org](mailto:rlamb@counties.org).

### 2008-09 State Budget Subcommittee Hearing Update

Over the last two weeks, budget subcommittee hearings have covered a number of justice-related items of interest. We summarize those topics below by subject matter.

**Local Public Safety Subventions.** During its May 28 hearing, the Assembly Budget Subcommittee No. 4 took up a number of vital public safety programs supported by the state. The actions of the subcommittee are identified in the table below, paired with the Governor's proposed 2008-09 funding level and the actions previously taken by the Senate budget subcommittee to zero out funding for the entire set of programs.

<b>Program/Expenditure</b>	<b>Governor's January Budget Proposal (2008-09)</b>	<b>Senate Subcommittee Action (5/8)</b>	<b>Assembly Subcommittee Action (5/28)</b>
Citizens' Option of Public Safety (COPS)	\$ 107 million	\$0	\$ 107 million
Juvenile Justice Crime Prevention Act (JJCPA)	\$ 107 million	\$0	\$ 107 million
Small/Rural Sheriffs Local Assistance Program	\$ 17 million	\$0	\$1,000
Local detention facility subventions (booking fee "replacement" revenue)	\$32 million	\$0	\$1,000
Juvenile Probation and Camps Funding (JPCF)	\$181 million	\$0	\$181 million
Mentally Ill Offender Crime Reduction Grant (MIOCR)	\$41 million	\$0	\$5 million
<b>TOTALS</b>	<b>\$485 million</b>	<b>\$0</b>	<b>\$400 million</b>

As noted above, the Assembly subcommittee approved the level of funding proposed by the Governor in three areas – COPS, JJCPA, and JPCF. The subcommittee authorized \$5 million for the MIOCR program and approved a nominal sum (\$1,000) for the rural and small county sheriffs program (\$450,000 grants, as proposed by the Governor, to the 37 smallest county sheriff departments) and local detention facility subventions (replacement booking fee revenue). With these actions, the items will go before the Budget Conference Committee for further consideration. It is clear that public safety funding is emerging as a set of issues that will be settled through the overall budget deliberations.

**Summary Parole.** On May 28, the Assembly Budget Subcommittee No. 4 approved on a split (4-2) vote the Governor's summary parole proposal. Counties will recall that this proposal would place certain non-serious, non-violent, non-sex offenders on parole with virtually no supervision. While these offenders could avail themselves of parolee treatment and other supportive services otherwise available through the Department of Corrections and Rehabilitation, they would not be actively supervised by a parole agent. However, those on summary parole would be subject to drug testing, as well as search and seizure by any peace officer. CSAC spoke with concerns on the proposal, focusing primarily on the lack of a risk and needs assessment to identify the population. Other local public safety and county advocates testified to local concerns on this proposal. The Senate budget subcommittee has not yet taken action on this proposal.

**Converting Wobblers to Misdemeanors.** The Assembly Budget Subcommittee No. 4 also supported on a 4-2 vote the Legislative Analyst's Office (LAO) proposal to convert certain wobblers to misdemeanors. The rationale behind the LAO's proposal is that expressly defining certain wobblers as misdemeanors would eliminate costly prison time for incarceration. Many advocates spoke in strong opposition, citing the inappropriate limitation on prosecutorial and judicial discretion, the expected impacts in local detention facilities, and general public safety concerns. In taking action to support the proposal, the Assembly subcommittee pared back the list of eligible crimes, specified that the proposal is prospective (for new convictions), and excluded violent and/or sex offenders. The Senate has yet to take action on this proposal.

**Court Security.** The Senate and Assembly budget subcommittees both took action to address court security funding in recent weeks. Slight differences in the approach and details mean that this item will go before the Budget Conference Committee for reconciliation and resolution. In short, the Senate budget subcommittee approved \$20 million to address a current shortfall in court security funding and authorized trailer bill language to do all of the following:

- Establish statewide standards for court security, including staffing standards;
- Establish court security costs based on average staffing costs rather than a mid-step salary;
- Establish greater uniformity across jurisdictions by standardizing costs and responsibilities, including clarification that retiree health for court security officers is not a state funding responsibility; and
- Create a separate court security budget item to permit easier tracking and accounting of court security funding.

The Assembly subcommittee on May 28 took nearly identical action on the trailer bill language regarding court security issues, but it did not approve funding for the ongoing court security shortfall.

**Department of Justice Forensic Lab Fees.** On May 21, Senate Budget Subcommittee No. 4 took action on the Legislative Analyst's Office proposal to charge state and local agencies for the costs of forensic testing at Department of Justice (DOJ) crime labs. CSAC, along with the Regional Council of Rural Counties (RCRC) and the State Sheriffs' Association, have previously indicated collective opposition to this proposal, as have many other public safety advocates. The subcommittee took action supporting the LAO proposal, which would result in a \$32 million general fund savings expected to be offset by fees charged to other governmental entities. The subcommittee also adopted budget bill language to, among other provisions, (1) ensure fee payments are made by local governments by giving the State Controller's Office the authority to transfer revenues from local Proposition 172 funds and (2) direct the DOJ to develop a fee schedule that addresses high costs in extremely complex investigations. The Assembly did not take parallel action, so this item will go before the Budget Conference Committee for further consideration and resolution.

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**Prison Health Care**  
***SB 1665 (Machado) – Watch***  
***As Amended on May 22, 2008***

SB 1665, by Senator Mike Machado, would create the Prison Health Care Construction Program to be administered by the Medical Care Receiver. This measure was introduced in response to a \$7 billion need identified by the prison healthcare receiver for short- and long-term needs to bring California's prison health system up to constitutional standards.

SB 1665 would authorize \$6.9 billion in revenue bonds and appropriate \$100 million in general fund revenues to allow the California Department of Corrections and Rehabilitation (CDCR) to address prison health care needs. Specifically, it would fund design activities, construction, and improvements to existing prison medical facilities and beds for approximately 10,000 prison inmates with medical and/or mental health needs. In addition, the funds would be utilized to design and construct supporting infrastructure and ancillary facilities at existing prison facilities statewide or at other appropriate state-owned real property for purposes of bring health care for inmates in correctional facilities up to a constitutionally

appropriate level.

By way of background, the State of California settled a class action lawsuit (*Plata v. Schwarzenegger*) in 2002 that challenged the quality of the medical care system in California's 33 prisons. Subsequently, the state's entire prison health care system was put into receivership by the federal court when it was found that the state had not complied with the terms of the settlement. The court's action to create a receivership effectively divested the state — including the Governor, Legislature, and CDCR — of any authority over prison health care operations; the full authority for the system is now in the hands of the receiver. (For more information on the receiver, visit the federal receiver's [Web site](#).)

SB 1665 failed to pass off the Senate floor this week. Concurrently, the federal receiver – J. Clark Kelso – submitted a written request to the Department of Finance essentially ordering the state to provide \$70 million to address immediate needs in the health care system and \$3.4 billion in the 2008-09 fiscal year. Unless an alternative revenue source is found, the receiver has the ability to demand that the state provide the resources from the already depleted general fund. CSAC will continue to monitor this situation closely and will provide updates in future Bulletins.

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**Court Facility Financing**  
***SB 1407 (Perata) – Support in Concept***  
***As Amended on May 27, 2008***

SB 1407, by Senate President pro Tempore Don Perata, would authorize the issuance of up to \$5 billion in lease revenue bonds for purposes of financing planning, design, construction, rehabilitation, renovation, replacement, leasing or acquisition of state trial court facilities. The measure also would authorize a variety of increases to penalties and fees – including a \$40 fee upon every conviction of a criminal offense — as revenue sources for the bonds; the proceeds from these increases and surcharges would be deposited into a new account within the State Court Facilities Construction Fund (SCFCF), the Immediate and Critical Needs Account.

SB 1407 passed out of the Senate Appropriations Committee on May 22, and subsequently cleared the Senate floor on May 28. It is now in the Assembly awaiting committee assignment.

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**Metal Theft**  
***AB 844 (Berryhill) – Request for Comment***  
***As Amended on May 29, 2008***

AB 844, by Assembly Member Tom Berryhill, seeks to address the issue of metal theft. This measure would require recyclers to adhere to the following restrictions regarding scrap metal transactions:

- Payment by check with a three-day hold.
- Presentation of government-issued photo ID required.
- Photo of materials required.
- Local ordinances are protected.
- Current penalties are left intact.

Under the provisions of AB 844, transactions under \$10 would be exempted from the above-specified restrictions. AB 844 is scheduled for hearing on June 9 in the Senate Business, Professions and Economic Development Committee.

***AB 2724 (Benoit) – Request for Comment***  
***As Amended on May 23, 2008***

AB 2724, by Assembly Member John Benoit, seeks to establish a fine structure for metal theft, including the theft of copper, lead, mercury, cables, and wires.

The revenue collected from these fines is to be deposited into the general fund of the jurisdiction that initiated the prosecution. The funds are intended to be used for metal theft enforcement efforts by the prosecuting jurisdiction. AB 2724 is scheduled for a hearing in Senate Public Safety on June 10.

***SB 691 (Calderon) – Request for Comment***  
***As Amended on April 24, 2008***

SB 691, by Senator Charles Calderon, also seeks to address the escalating rise in metal theft throughout the state by delaying the payout to metal theft thieves and making them easier to catch.

As detailed in previous Bulletins, SB 691 contains the following components:

- Requires additional identification for sellers and a disclosure of where materials came from;
- Requires thumbprints from sellers;
- Requires a photograph of materials being sold;
- Increases fines for recyclers caught violating provisions of this bill;
- Imposes the risk of license suspension or revocation for recyclers caught violating provisions of this bill; and
- Puts restrictions on cash transactions.

SB 691 would not prevent a local government from adopting ordinances or resolutions that are consistent with this measure regarding junk dealers or recyclers. However, local governments would be prohibited from adopting reporting, identification, or payment requirements regulating transactions by junk dealers or recyclers. The author's office points out that the penalties in SB 691 exceed those that could be sought at the local level through an ordinance.

CSAC staff is requesting that counties review this measure for possible impacts at the county level, particularly on the local preemption issue for those counties that presently have a local ordinance in place or are planning to enact such an ordinance. Feedback on this measure is sought as soon as possible. SB 691 is in the Assembly Rules Committee awaiting referral to a policy committee.

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**Public Contracts: Dispute Resolutions**  
***SB 1642 (Yee) – Request for Comment***  
***As Amended on May 19, 2008***

SB 1642, by Senator Leland Yee, seeks to establish a dispute resolution process between local government agencies (including counties, cities, and school districts) and contractors for unresolved claims over \$50,000. The measure's provisions would only apply to local government agencies that do not have an existing dispute resolution process in place.

SB 1642 was held on the Assembly Appropriations Committee's suspense file on May 22.

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**Vehicle Registration Fees**  
***AB 860 (Salas) – Support***  
***As Amended on May 20, 2008***

AB 860, by Assembly Member Mary Salas, would extend the sunset date for counties to impose additional vehicle registration fees on commercial vehicles to fund local programs related to vehicle theft or abatement programs from January 1, 2010 to January 1, 2018.

This bill maintains existing reporting requirements on counties when submitting yearend reports to the State Controller detailing an account of funds received and expended as it relates to salaries, expenses, equipment purchased etc.

AB 860 is sponsored by the California State Sheriffs' Association. It passed out of the Senate Transportation and Housing Committee on May 13 on a 10-2 vote. It is now awaiting hearing in the Senate Appropriations Committee.

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**Missing Persons: DNA Database**  
***AB 1975 (Solorio) – Support***  
***As Amended on May 23, 2008***

AB 1975, by Assembly Member Jose Solorio, would delete the expiration date for the \$2 increase on death certificates issued by a local government agency or the State of California and would further clarify statute relating to medical examiners and coroners and the submittal of DNA samples for the purpose of identifying unknown human remains.

AB 1975 cleared the Assembly Appropriations Committee on May 22 and subsequently passed off the Assembly floor. It is now awaiting Senate committee assignment.

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**Medi-Cal Eligibility: Juvenile Offenders**  
***SB 1147 (Calderon) – Support***  
***As Amended on April 9, 2008***

SB 1147, by Senator Ronald Calderon, seeks to suspend rather than terminate a youthful offender's Medi-Cal eligibility while he or she is in a county juvenile detention facility.

This measure completes work begun under the provisions SB 1469 (Cedillo, 2006), which required county juvenile detention facilities and human services departments to collaboratively devise methods to ensure that more juvenile offenders leave county detention centers with their Medi-Cal eligibility established. The federal government has made signals that it would prefer a juvenile offender's Medi-Cal benefits be suspended rather than outright terminated upon his or her commitment to a county detention facility. CSAC strongly supports efforts to ensure continuity of benefits for those detained in county detention facilities and for swift reenrollment in the appropriate benefits program upon a detainee's release.

SB 1147 is sponsored by the Youth Law Center. It was heard as part of the Senate Appropriations Committee's suspense file hearing on May 22. It passed out of committee and recently passed off the Senate floor. It is now in the Assembly awaiting committee assignment.

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**Corrections Mental Health**  
***SB 1651 (Steinberg and Romero) – Watch***  
***As Amended on April 15, 2008***

SB 1651, by Senators Darrell Steinberg and Gloria Romero, would enact the Corrections Mental Health Act of 2008. This measure is aimed at addressing the provision of mental health services to offenders in the criminal justice system.

The measure has four key components, which would 1) authorize and set protocols for the establishment of mental health courts; 2) ensure comprehensive inmate preparation for parole; 3) provide parolees with AB 2034 integrated services; and 4) identify community mental health services for those leaving parole.

SB 1651 was heard on May 22 as part of the Senate Appropriations Committee's Suspense file hearing; it was held in committee.

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**County Law Libraries**  
***AB 2164 (Nakanishi) – Watch***  
***As Amended on April 22, 2008***

AB 2164, by Assembly Member Alan Nakanishi, seeks to promote planning for state and county obligations with regard to county law libraries.

AB 2164 would direct the Judicial Council to make recommendations to the Legislature by March 1, 2010, regarding the funding needs and sources, the service mission, delivery models, and the long-term service needs of law libraries. The bill directs the Judicial Council to provide their recommendations after they have consulted with the California Council of County Law Librarians, CSAC, and other parties the Judicial Council deems appropriate.

AB 2164 is sponsored by the San Joaquin Board of Supervisors. It was held in the Assembly Appropriations Committee on May 22.

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## **AgricultureandNaturalResources**

For more information, contact Karen Keene at 916/327-7500, ext. 511, or e-mail [kkeene@counties.org](mailto:kkeene@counties.org) or Cara Martinson at 915/327-7500, ext. 504, or e-mail [cmartinson@counties.org](mailto:cmartinson@counties.org).

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**Solid Waste**  
***AB 2640 (Huffman) – Oppose***  
***As Amended on May 23, 2008***

AB 2640, by Assembly Member Jared Huffman, would require the California Integrated Waste Management Board (CIWMB) to develop a compostable organics management program and a grant and loan program for organics management projects. This bill also establishes a per ton fee in the same amount as the total amount of the state's solid waste tipping fee (currently \$1.40 per ton) on organics used for alternative daily cover (ADC) in the operations of a solid waste facility. The

tipping fee on organics would go towards grants and loans to fund new and existing organics composting facilities, including actual operating costs for machinery upgrades, construction costs, and other capital investments. Additionally, AB 2640 requires the CIWMB to consider organics diversion efforts when determining whether or not a jurisdiction has made a "good faith effort" for purposes of enforcement. AB 2640 passed out of the Assembly and will go to the Senate.

***AB 2679 (Ruskin) – Request for Comment  
As Amended on May 19, 2008***

AB 2679, by Assembly Member Ira Ruskin, would make numerous changes to strengthen enforcement provisions of the California Integrated Waste Management Act of 1989. Specifically, this bill would allow the Waste Board to enforce solid waste regulations at local facilities even if the local enforcement agency (LEA) does not request assistance. AB 2679 would grant the Waste Board land use authority independent of local land use agencies for closed or remediated landfills; allow the use of solid waste facility inspection fees to fund illegal dumping efforts unrelated to the facility; repeal the automatic stay of enforcement orders pending appeal and instead would permit an accused violator to petition the Waste Board to stay the effect of the order. This bill has been referred to the Senate Environmental Quality Committee.

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**Fire**

A number of fire-related bill passed of the Senate Floor this week, most of which have the potential to drastically impact counties. CSAC, along with the Regional Council of Rural Counties (RCRC), is opposed to the following bills. Please contact your local legislative delegation to express or opposition and concerns. See letters under the Agriculture and Natural Resources section of the [CSAC Web site](#).

***SB 1500 (Kehoe) – Oppose  
As Amended on May 27, 2008***

SB 1500, by Senator Christine Kehoe, was passed off the Senate Floor May 29. This bill would, among other things, require a county that is considering a project in a State Responsibility Area (SRA) to notify the Board of Forestry (Board) when the application for a project is deemed complete. The Board would be required to determine whether structural fire protection is a local responsibility. SB 1500 does not contain a timeline within which the Board would make this determination. SB 1500 also would require the Board to reclassify SRA land to be a "local responsibility" for structural fire protection if the residential density exceeds one residential dwelling unit per 20 acres averaged across an area prescribed by the Board.

***SB 1617 (Kehoe) – Oppose  
As Amended on May 27, 2008***

SB 1617, by Senator Christine Kehoe, was passed of the Senate floor yesterday. This bill would establish a plan to impose an unspecified fee on properties located within SRA, in order to fund fire protection and fire prevention activities. CSAC, along with RCRC, believes the legislation is a flawed choice to address the budgetary concerns of CAL FIRE due to a number of equity, administrative, and logistical issues.

***SB 1764 (Kehoe) – Oppose  
As Amended on May 28, 2008***

SB 1764, by Senator Christine Kehoe, was also passed of the Senate floor yesterday. This bill would require that on, or after January 1, 2010, a local agency must obtain an annual certification by the State Fire Marshal (SFM) in order to be eligible to receive a percentage for a state share of eligible disaster related costs in excess of 75%. This measure implies that the sole authority for a variety of disasters (flood, freeze, earthquake, etc.) rests with the SFM. We question the logic of placing this certification responsibility entirely in the hands of this agency. The SFM is not an over-arching emergency management agency. It is a component of an existing operational group and only one of many participants involved in a disaster, or, if not a fire-related disaster, not involved at all. Whether or not a community receives disaster relief funds for a flood, freeze, or earthquake, should not be predicated on their readiness for a fire.

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**Energy**  
***AB 2789 (Blakeslee) – Concerns  
As Proposed to be Amended***

AB 2789, by Assembly Member Sam Blakeslee, would implement statewide standards for the installation of small wind energy systems, limiting local review to public health and safety issues. Specifically, CSAC asserts that because of their height, wind towers have a fundamentally different visual impact than solar panels, both individually and cumulatively in a neighborhood setting. For this reason, they should not be treated the same as solar panels, and local governments need to

be able to provide for the siting of such systems. The proposed amendments provide for the protection of views by adjacent property owners (section 65892.17 d), but do not provide sufficient protection for public views by limiting the restrictions to ridgelines visible from state-designated scenic corridors. This bill will be heard in Senate Local Government Committee next week.

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## Employee Relations

For more information, contact Eraina Ortega at 916/327-7500, ext. 521 or [eortega@counties.org](mailto:eortega@counties.org), or Faith L. Conley at 916/327-7500, ext. 522, or [fconley@counties.org](mailto:fconley@counties.org).

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### **Division of Workers' Compensation Proposes Changes to the Permanent Disability Rating Schedule**

On May 9, the California Department of Industrial Relations, Division of Workers' Compensation (DWC) proposed changes to the permanent disability rating schedule (PDRS) that would increase benefits for injured workers by an average of 16 percent. The proposal is contained in draft regulations posted to the DWC online forum at <http://www.dir.ca.gov/Wcjudicial.htm>.

Under the DWC's proposal, the future earnings capacity (FEC) multiplier would be adjusted to reflect data collected on wages lost by workers with specific injuries, such as injuries to the spine, hand, and knee. The DWC estimates that this change to the percentage of disability from which benefits dollars are derived will increase disability ratings by 12 percent on average.

In addition to increasing the FEC range, injury types would be re-ranked within to correlate with wage loss. For example, injuries with higher wage loss (spine or wrist injuries) would be ranked higher, while those with lower wage loss (knee injuries) would not be ranked as high.

The DWC proposal would also change age adjustment factors in the PDRS. Under the current schedule, workers below age 37 receive a decrease in their rating and those over 41 get an increase. This proposal would delete the decrease and only provide an increase for those under age 21 and over age 52.

According to the DWC, the proposed changes are justified by 18 months of data collection on return-to-work and wage loss and the results of a comprehensive study, which showed return-to-work rates are up by about five percent overall.

CSAC has joined a coalition of public and private employers in supporting the DWC proposal to re-rank specific injury types and to change the age adjustment factors. The coalition has not taken a position on the change to the FEC multiplier pending review of additional information.

It should be noted that the DWC proposal is separate from SB 1717, by Senator Don Perata, which would revise the formula for computing permanent disability injury benefits and result in a doubling of benefits by 2011. SB 1717 awaits committee assignment in the Assembly.

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### **Key Employee Relations Bills Approved by Appropriations Committees**

On May 22, several bills pertaining to employee relations were voted off the Senate and Assembly Suspense Files and sent to their respective houses for a floor vote.

By a majority vote, members of the Senate and Assembly Appropriations Committees (where legislation is heard that has a fiscal impact) may place bills on the Suspense File. The Suspense File is a way for the Appropriations Committees to hold bills back for vote at a later date while members prioritize fiscal bills with costs deemed to be \$150,000 or more and then determine which of those bills will go to the Senate or Assembly Floor for a vote.

During this legislative year, only 33 out of 150 Senate bills with specified fiscal impact, which includes cost increases to the state as well as revenue decreases, were voted off the Suspense File and sent to the floor for a vote. The Assembly Appropriations Committee similarly held back a majority of bills that would carry significant costs to California.

The following are important employee relations bills, which were voted off the Suspense Files.

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## **Retirement Benefits**

### ***AB 1844 (Hernandez) – Support As Amended on March 23, 2008***

AB 1844, by Assembly Member Ed Hernandez, would enact changes recommended by the Public Employee Post-Employment Benefits Commission. It would require any agency that provides post-retirement benefits, other than pension benefits, to report the Government Accounting Standards Board (GASB) 45 valuation report information to the State Controller within nine months of the close of a fiscal year and require the State Controller to develop a simple and inexpensive procedure for collecting the information and to publish a report on the financial condition of state and local public retirement systems within 12 months of receipt of the information and no more than 18 months after the end of the fiscal year. AB 1844 would also make it a crime to make false statements or representations in regards to the benefits and applications of the Public Employees' Retirement System, the Teachers' Retirement System and the 1937 Act County Employees' Retirement System.

AB 1844 is currently awaiting assignment to a committee in the Senate.

### ***SB 1123 (Wiggins) – Support As Amended May 27, 2008***

SB 1123, by Senator Pat Wiggins, would enact changes recommended by the Public Employee Post-Employment Benefits Commission. It would add other post employment benefits to the actuarial statement that is required prior to an action by the Legislature or a legislative body to increase benefits and would require that upon adoption of a new benefit, the person with responsibility of a chief executive officer in the agency providing the benefit, to acknowledge in writing that he or she understands the current and future cost of the benefit as determined by the actuary. This bill would also establish the California Actuarial Advisory Panel.

SB 1123 is currently awaiting assignment to a committee in the Assembly.

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## **Employee Rights**

### ***AB 2716 (Ma) – Oppose Unless Amended As Amended March 24, 2008***

AB 2716, by Assembly Member Fiona Ma, would require all employers within California to provide sick leave to any employee who works seven or more calendar days in one year. Such sick leave would be accrued at the rate of no less than one hour for every 30 hours worked, and would be compensated at the same wage the employee earns for his or her regular hours. AB 2716 includes both public and private employers.

AB 2716 is currently awaiting assignment to a committee in the Senate.

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## **Workers' Compensation**

### ***AB 2754 (Bass) – Oppose As Amended May 23, 2008***

AB 2754, by Speaker Karen Bass, would add a new work presumptive illness for public safety personnel who contract methicillin resistant staphylococcus aureus (MRSA) or staph/MRSA skin infection. This bill would make the MRSA presumption applicable for up to 90 days after termination of service, and would also make the presumption applicable to any of the above safety members, regardless of service under the pension or retirement systems.

AB 2754 is currently awaiting assignment to a committee in the Senate.

### ***SB 1338 (Migden) – Oppose As Amended April 30, 2008***

SB 1338, by Senator Carole Migden, would delete the sunset date of December 21, 2009 for which an employee can predesignate their physician from the date of injury for workers' compensation. This bill would also delete the requirement that Division of Workers' Compensation conduct an evaluation of certain predesignation provisions and report those findings to the Governor and Legislature.

SB 1338 is currently awaiting assignment to a committee in the Assembly.

## **Government Finance and Operations**

For more information, contact Jim Wiltshire, ext. 545, or [jwiltshire@counties.org](mailto:jwiltshire@counties.org) or Faith L. Conley at 916/327-7500, ext. 522, or [fconley@counties.org](mailto:fconley@counties.org).

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### **Foreclosures**

#### ***AB 2187 (Caballero) – Support As Amended on April 30, 2008***

AB 2187, by Assembly Member Anna Caballero, would make changes to foreclosure law that will give at-risk homeowners more information for their situation. Importantly, the bill would also allow local governments to impose civil fines, up to \$1,000 per day, for violations related to failure to maintain vacant property that can blight neighborhoods and potentially create a health hazard by providing mosquitoes with breeding pools.

The recent spate of foreclosures has brought down housing prices, decreased property tax receipts, led to a decline in housing starts, and had an overall detrimental effect on counties' budgets, the services they provide, and the residents to whom they provide those services. Any measures the Legislature can take to staunch these foreclosures without unduly burdening anyone will generally benefit California, its counties, and its neighborhoods.

AB 2187 was held on the Suspense File in the Assembly Appropriations Committee on May 22.

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### **Local Government**

#### ***SB 1458 (Committee on Local Government) – Support As Amended May 23, 2008***

SB 1458, by the Senate Local Government Committee, would modernize and streamline the County Service Area Law, which has not received an overhaul this complete since 1953.

When a particular community needs a higher level of service or more of a particular type of facility, County Service Areas (CSAs) present themselves as a good way for county boards of supervisors to match revenues with that service or facility. SB 1458 would help counties and their residents by providing clarity about how CSAs should be formed, governed, and financed. This bill also clarifies what services and facilities are appropriately provided by a CSA.

SB 1458 is set for hearing June 4 before the Assembly Local Government Committee.

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### **Elections**

#### ***AB 2597 (Leno) – Support As Amended March 10, 2008***

AB 2597, by Assembly Member Mark Leno, would reimburse Los Angeles County for the extra cost of administering two special elections called by the Governor and held during 2007, as required by last year's AB 119 (Ch. 487, Statutes of 2007). It is important that these claims be paid promptly since county elections offices are holding three separate elections this year. Speedy reimbursement from the state will help counties meet their constitutional and statutory election-related obligations without unnecessarily impacting other county programs.

AB 2597 was scheduled for a third reading in the Senate on May 29. If passed, it will now go to the Governor.

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### **Taxes**

#### ***AB 1839 (Calderon) – Support As Introduced on January 24, 2008***

AB 1839, by Assembly Member Charles Calderon, would prohibit assignees and lenders from claiming bad debt losses for a refund of the sales tax paid on worthless accounts. Since the change in law that allowed this practice for these types of

entities, California has seen an annual revenue loss of \$41.6 million, far greater than the \$6 million estimated at the time the law was changed.

Given the dire fiscal straits in which the state and its counties find themselves, it seems appropriate to revisit this recent change in the law. Sales and use taxes provide revenue for health and mental health programs, among others, programs that this state's residents expect. Under the bill, retailers would retain their ability to claim these refunds on worthless accounts.

For these reasons, CSAC supports the bill. However, AB 1839 failed passage on the Assembly Floor on May 27.

***AB 1840 (Calderon) – Support  
As Introduced on January 24, 2008***

AB 1840, by Assembly Member Charles Calderon, would take an important step in collecting use tax owed by ensuring that all retailers engaged in business in California are required to collect it. This law would make sure that California law conforms with federal law in its definition of such retailers, and at the same time, it would help to ensure that all those who owe tax pay it, thereby lessening the relative burden on those Californians that scrupulously follow the law.

The sales and use tax is important to the state, counties, and cities as a revenue stream that helps to fund the services and facilities that the state's residents expect from them. The gap between use taxes owed and those collected is counted in the billions of dollars, and that number is only estimated to grow as more consumers make their purchases through the Web sites of out-of-state vendors. Because AB 1840 is designed to decrease that gap, CSAC is in support of the bill.

AB 1840 failed passage in the Assembly on May 27, but was granted reconsideration for May 29.

***AB 1957 (Eng) – Support  
As Amended March 25, 2008***

AB 1957, by Assembly Member Mike Eng, would make it clear that Californians who owe use tax must pay that tax.

Each Californian that owes a tax and does not pay it increases the relative tax burden on the Californians that scrupulously follow the law. Given that the use tax gap is counted in the billions of dollars and that use taxes support important government services and facilities at the state and local level, CSAC supports AB 1957. The bill was passed off of the Assembly Floor on May 15 and has been referred to the Senate Revenue and Taxation Committee.

***AB 2872 (Houston) – Watch  
As Amended on April 9, 2008***

AB 2872, by Assembly Member Guy Houston, would increase, over a period of 20 years, property tax shares for counties that currently receive a lower-than-average share; the money would be shifted from the Educational Revenue Augmentation Fund (ERAF) and school entities would be reimbursed from the state's General Fund. The statewide average property tax share for counties, as reported by the Board of Equalization, is \$0.17 per dollar of property tax.

AB 2872 was heard as part of the Assembly Appropriations Committee Suspense File on May 22. It was held in committee.

***SB 1430 (Torlakson) – Watch  
As Amended on April 10, 2008***

SB 1430, by Senator Tom Torlakson, would authorize an education finance district to impose qualified special taxes that may be imposed by any charter city within its boundaries, subject to constitutional requirements. An "education finance district" is defined as two or more contiguous districts wholly or partly within the same county, which pass resolutions agreeing on how to divide the revenues raised by the special tax.

SB 1430 was heard in the Senate Revenue and Taxation Committee on April 16 but failed to pass out of committee. It remains in the Senate Revenue and Taxation Committee.

May30,2008

## **HealthandHumanServices**

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## State Budget Update

The Senate and the Assembly both held budget hearings this week, although the Assembly convened budget subcommittees, while the Senate held full Budget and Fiscal Review Committee hearings. Both houses are expected to finish reviewing the health and human services proposals in Governor's May Revision today. For the latest update on health and human services issues, [click here](#) for a lengthy chart outlining each issue and committee action.

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### Legislation

#### Health

##### ***SB 1184 (Kuehl) – Support As Amended on May 6, 2008***

SB 1184, by Senator Sheila Kuehl, would require the timely reporting of CD4 count test results to the state to ensure a more accurate picture of the HIV/AIDS epidemic and, in turn, help draw down additional federal funding for HIV/AIDS services.

SB 1184 requires clinical laboratories to report all CD4 count test results to local health officers within seven days of the completed test. If the test result is due to an HIV infection, the local health officer must report the CD4 count test information to the state Department of Public Health within 45 days of receipt of the laboratory result.

SB 1184 is needed because HIV antibody tests, viral loads, and CD4 cell counts are the primary indicators of HIV disease, but CD4 reporting is not required in California. In fact, the Federal Center for Disease Control and Prevention recommends full CD4 reporting for HIV surveillance. SB 1184 will help ensure full CD4 reporting in California, and, in turn, will assist the state in securing an equitable share of federal Ryan White funding. The deadline for reporting cases to the federal government is December 2008, and SB 1184 has been designated an urgency measure to ensure that CD4 case reports begin as soon as possible.

Furthermore, SB 1184 would not interfere with the state's current strict confidentiality standards for HIV/AIDS name-based reporting. For these reasons, CSAC supports SB 1184. The bill is scheduled to be heard by the Assembly Health Committee on June 10.

##### ***AB 2124 (Beall) – Support As Amended on April 23, 2008***

AB 2124, by Assembly Member Jim Beall, would allow counties to draw down federal funding for providing alcohol and drug screening and brief intervention services to Medi-Cal beneficiaries.

Currently, the counties that provide substance and alcohol screening and brief intervention services to Medi-Cal beneficiaries must bear the full cost of such services. A new federal rule change allows California to receive federal revenue to perform Screening and Brief Intervention (SBI) services, making them more affordable. AB 2124 would allow counties to take advantage of this rule change and draw down federal match for local funds. The measure also creates a matching fund in the State Treasury to allow counties to access those federal matching funds.

CSAC supports AB 2124, which was passed by the Assembly on May 27 and now goes to the Senate. Please also note that the May Revision included a similar proposal.

##### ***AB 2375 (Hernandez) – Support As Amended on May 28, 2008***

AB 2375, by Assembly Member Ed Hernandez, would require several departments to create a health care workforce master plan for the state.

AB 2375 would direct the Office of Statewide Health Planning and Development to work with the California Workforce Investment Board to establish a health care workforce task force, comprised of specified members, to assist in the development of a health care workforce master plan for the state.

The bill was passed by the Assembly on May 29 and now heads to the Senate.

##### ***AJR 54 (Laird) – Support As Amended on May 28, 2008***

AJR 54, by Assembly Member John Laird, is a joint resolution urging the President and Congress to rescind the federal Centers for Medicare and Medicaid Services (CMS) directive of August 17, 2007, that restricts states' authority to cover

children under the State Children's Health Insurance Program (SCHIP).

The August 17, 2007 CMS directive severely restricts California's ability to expand the state's SCHIP program, called the Healthy Families Program, to families above 250% of the federal poverty level (FPL). The directive accomplishes this by setting forth eight new criteria that states must meet before they are allowed to expand their coverage above 250% FPL, including the implementation of 12-month waiting periods for families above 250% FPL, and requiring the state to certify that at least 95% of children below 200% FPL are covered before expanding the program to cover those above 250% FPL.

These highly restrictive new rules could mean that approximately 34,000 California children could lose their health insurance, and that the state would be prohibited from using SCHIP funds to cover additional children in working families of three persons or more with annual incomes as low as \$44,000. And while California has the largest SCHIP participation in the nation – providing coverage for nearly 900,000 children in working families – the high cost of living and the increasing cost of health care in the Golden State have outstripped the ability of many families to provide adequate health care coverage to their children.

For these reasons, CSAC supports AJR 54, which is scheduled for a third reading in the Assembly on June 5.

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**Child Welfare Services**  
**SB 1457 (Steinberg) – Support**  
**As Amended on April 21, 2008**

SB 1457, by Senator Darrell Steinberg, would create the California ScholarShare Advancement Vehicle for Education (CalSAVE) Scholarship Program to award scholarships to needy students.

SB 1457 would expand the number of funders, whether they are individuals, corporations, or not-for-profit organizations, which can contribute to California's ScholarShare 529 college saving plans for vulnerable youth, which include foster youth. Current statute does not allow ScholarShare to accept contributions from businesses or companies that would like to establish accounts for students and youth unless a specific individual beneficiary is named for each account. SB 1457 would change the statute to allow businesses and companies to donate or contribute money to fund future scholarship accounts.

CSAC supports the bill, which has been assigned to the Assembly Higher Education Committee, but has not yet been set for a hearing.

**AB 2070 (Bass) – Support**  
**As Amended on April 21, 2008**

AB 2070, by Assembly Member Karen Bass, would allow parents who are incarcerated or otherwise institutionalized to receive family reunification services to the greatest extent possible.

AB 2070 requires that the best interests of the child continue to be the core consideration by the court, while recognizing that parents who are in prison should have their specific situations taken into account when the child welfare system is considering whether they can be reunited with their children safely and within a timely manner.

AB 2070 would also extend reunification time frames up to a maximum of 24 months, on a case-by-case basis and according to standards set forth by the most recent version of the bill. However, the extension would not be automatic, and a judge would have to apply the strict criteria in the bill to extend the reunification period another 6 months. Counties believe that the bill would help reunify more children who are placed in long-term foster care by allowing the court to provide a second period of family reunification services if it is in the best interest of the child.

AB 2070 provides a useful option for child welfare agencies in their mission to ensure the health and safety of every child and family. CSAC supports the bill, which was passed off of the Assembly Floor on May 27 and now goes to the Senate.

**AB 2337 (Beall) – Support**  
**As Amended on April 2, 2008**

AB 2337, by Assembly Member Jim Beall, would add drug and alcohol counselors to the list of people who are mandated to report known or suspected child abuse. CSAC supports the bill, which was passed unanimously by the Assembly on May 27 and now goes to the Senate.

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**Medi-Cal**  
**AB 2527 (Berg) – Support**

***As Amended on April 7, 2008***

AB 2527, by Assembly Member Patty Berg, would make technical changes in statute to clarify provisions that govern local public agency participation in the Medi-Cal Targeted Case Management (TCM) and Medi-Cal Administrative Activities (MAA) billing options.

In many counties, the Children and Families Commissions use tax revenues to pay for activities to help link beneficiaries to appropriate Medi-Cal services. The TCM and MAA options permit the Commissions, in conjunction with the county, to claim federal reimbursement for a portion of the cost of these activities – funds that are then reinvested in our communities to expand and improve services for low-income families. These services are coordinated with those provided by local public health departments and expand our ability to reach at-risk populations.

CSAC, the County Health Executives Association of California (CHEAC) and the First 5 Association of California support the bill so that local Children and Families Commissions may continue to participate in this valuable reimbursement program and not lose federal funds that currently benefit our communities.

AB 2527 is scheduled to be heard by the Senate Health Committee on June 11.

***SB 1738 (Steinberg) – Support  
As Amended on May 27, 2008***

SB 1738, by Senator Darrell Steinberg, would create a Frequent Users of Health Care Pilot Program.

The pilot program envisioned in the bill would be implemented in at least six counties and would be limited to 2,500 Medi-Cal patients who are frequent users of health services, and have at least two risk factors, such as chronic, life-threatening conditions that require medical management, such as mental illness, substance abuse disorders, and homelessness. SB 1738 will produce savings for the state's Medi-Cal Program by shrinking its reimbursement costs for emergency department care and hospitalizations that can be reduced or avoided by managing the frequent user population.

Recent amendments require a three-year implementation of the program, after which the Department of Health Care Services must report back to the Legislature on the effectiveness of the program. This must be done no later than November 1, 2012.

CSAC, along with the Urban Counties Caucus, continue to support the bill, which was passed by the Senate on May 28. The bill now goes to the Assembly.

***SB 1132 (Migden) – Support  
As Amended on April 9, 2008***

SB 1132, by Senator Carole Migden, would ensure uninterrupted medical coverage for emancipated foster youth up to age 21.

Since 2000, emancipated foster youth in California have been eligible for continuous Medi-Cal coverage up to age 21 without regard to their income or assets. SB 1132 would clarify current law and procedures to ensure that these at-risk youth are able to receive Medi-Cal services with minimal paperwork and bureaucracy.

The bill was passed off of the Senate Floor on May 27 and now goes to the Assembly.

***AB 851 (Brownley) – Support  
As Amended on January 8, 2008***

AB 851, a bill by Assembly Member Julia Brownley, would eliminate the sunset date on the 250 Percent Working Disabled Poverty Program, which provides Medi-Cal coverage to persons with disabilities who are employed and earning up to 250% of the federal poverty limit.

The 250 Percent Program enables persons with disabilities to enter the workforce and earn a modest living without fear of losing affordable health coverage. Recipients pay reasonable premiums based on their income levels, ranging from \$20 to \$250 per month for individuals and \$30 to \$375 per month for couples. These premiums are quite reasonable compared to the much higher premiums that these individuals would likely be required to pay in the general insurance market.

For these reasons, CSAC supports AB 851. The bill is scheduled to be heard in the Senate Health Committee on June 11.

## **CalWORKs**

### **AB 2368 (Fuentes) – Support As Introduced on February 21, 2008**

AB 2368, by Assembly Member Felipe Fuentes, would exclude the value of a licensed motor vehicle from consideration when determining or redetermining CalWORKs eligibility.

AB 2368 would help a certain set of applicants and recipients who own or obtain a car, thereby making it easier for them to travel to and from work and other job-related activities required by the CalWORKs program. Furthermore, AB 2368 will help county eligibility workers and applicants avoid a valuation process that is often cumbersome and confusing. The amount of documentation and research required to ascertain the fair market value of a motor vehicle could be better spent in assessing the job skills and workforce readiness of applicants, thereby accelerating their progress toward job retention and self sufficiency.

For these reasons, CSAC supports AB 2368. The bill was passed by the Assembly on May 28 and now goes to the Senate.

### **AB 1887 (Beall) – Support As Introduced on February 7, 2008**

AB 1887, by Assembly Member Jim Beall, would expand coverage requirements for certain health care plans to include mental illness and substance abuse diagnosis and treatment.

AB 1887 would require that a health care service plan contract and a health insurance policy issued, amended, or renewed on or after January 1, 2009, include the diagnosis and treatment of a mental illness of a person of any age. The measure would also define mental illness as a mental disorder as defined in the Diagnostic and Statistical Manual IV and subsequent editions. AB 1887 also requires substance abuse treatment to be covered.

Counties believe that AB 1887 will help expand options for treatment and increase access to care for the millions of Californians with mental health and substance abuse treatment needs. For these reasons, CSAC has adopted a position of support on AB 1887. The bill was passed by the Assembly on May 27 and sent to the Senate on May 28.

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## **Adult Protective Services**

### **AB 2105 (DeSaulnier) – Support As Amended on May 23, 2008**

AB 2105, by Assembly Member Mark DeSaulnier, would add licensed lending brokers to the list of mandated reporters who are required to report suspected financial fraud or abuse of the elderly.

The bill originally included real estate brokers among the mandated reporters, but the May 23 amendments removed all reference to real estate brokers and instead requires all real estate licensees to participate in courses on consumer protection that cover financial elder and dependent adult abuse signs and reporting requirements. CSAC still supports the bill, as it will still help raise awareness of elder and dependent adult abuse in the real estate industry. AB 2105 was passed off of the Assembly Floor on May 28 and now goes to the Senate.

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## **Human Services**

### **AB 1983 (Evans) – Support As Amended on March 25, 2008**

AB 1983, by Assembly Member Noreen Evans, would have created a mechanism to investigate and substantiate reports of abuse by regional centers and community care facilities.

However, the bill we held on the Assembly Appropriations Committee's suspense file on May 23.

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## **Mental Health**

### **SB 1349 (Cox) – Support As Amended on April 24, 2008**

SB 1349, by Senator Dave Cox, would require the timely reimbursement of mental health services claims to local

governments.

Specifically, SB 1349 would require the State Controller's Office to reimburse local governments for mental health services within 90 days after the receipt of a reimbursement claim by the Department of Mental Health (DMH). The measure also requires interest to be paid on late payments. If passed, the bill would go into effect on July 1, 2009.

Counties must be reimbursed in a timely manner for mental health services rendered to adults and children in their communities. The lack of timely reimbursements threatens many counties' budgets, and for these reasons, CSAC supports SB 1349. The bill is scheduled to be heard in the Assembly Health Committee on June 10.

***AB 2667 (Hayashi) – Oppose  
As Amended on April 8, 2008***

AB 2667, by Assembly Member Mary Hayashi, would have required all counties to establish, staff, and maintain 24-hour suicide prevention hotlines. The bill was held in the Assembly Appropriations Committee on May 22.

May30,2008

## **Housing, Land Use and Transportation**

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### **Land Use**

***SB 1165 (Kuehl) – Oppose  
As Amended on May 15, 2008***

SB 1165, by Senator Sheila Kuehl, would require, except for under specified circumstances, a lead agency or a responsible agency under the California Environmental Quality Act (CEQA) to prepare a subsequent or a supplemental Environmental Impact Report (EIR) for a project if the certification of the prior EIR for the project is more than 5 years old. The bill was recently amended to apply to projects that involve the issuance to a person of a lease, permit, license, certificate, or other entitlement for use. Further, the bill would prohibit a lead agency from relying on an EIR that was certified more than 5 years ago and would require the document to be treated as an uncertified, draft environmental document that must be recirculated for public review and comment and recertified by the lead agency before the agency may take an action in reliance on the analysis and conclusion of the prior environmental document.

CSAC is opposed to this measure. While it is designed to increase public participation, SB 1165 would make it unnecessarily difficult for cities and counties to implement, and will impose arbitrary requirements that will eliminate many existing tools designed to speed up the CEQA process.

SB 1165 was passed out of the Senate Appropriations Committee on May 19. It now awaits a vote on the Senate Floor.

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### **Transportation**

***AB 2596 (Jones) – Concerns  
As Amended on April 22, 2008***

AB 2596, by Assembly Member Dave Jones, would require the Air Resources Board (ARB) to quantify a baseline level of greenhouse gas (GHG) emissions generated by land use and transportation activities in 2009 for every city and county with a population of at least 50,000. The ARB would also be required to develop and make available to cities and counties a model that cities and counties may use to quantify the projected level of greenhouse gas emissions for the period from January 1, 2011, through January 1, 2020, that will be generated from land use and transportation activities for each city and county.

While CSAC supports the goals contained within this measure, we have concerns with focusing any GHG emissions reduction strategy at the local agency level, rather than at the regional level. CSAC believes that meaningful reductions in GHG emissions are achieved by focusing on regional targets, which, in turn, can be implemented in a public process by local officials. Specifically, we believe that the goal of reducing GHGs in the transportation/land use context must occur at the regional level through long-range regional growth and transportation plans. Each region can then develop and apply

appropriate modeling and analysis that will provide insights regarding which smart growth strategies, combined with other factors (i.e. energy consumption, climate, transportation choices, etc.) are most effective in different types of locations and settings to accomplish GHG reductions.

AB 2596 comes during a time in which multiple legislative and administrative proposals/actions to deal with climate change are being implemented and thus may be premature given that the ARB is still grappling with how to determine regional targets with respect to land use and transportation. It is our understanding that even the Land Use Subgroup of the Climate Action Team (LUSCAT) came to the conclusion that developing city and county targets would be a difficult if not impossible task.

AB 2596 was held on the Suspense File in the Assembly Appropriations Committee on May 22.

May30,2008

## IndianGaming

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### **Indian Gaming SB 1201 (Battin) – Oppose Unless Amended As Amended on April 30, 2008**

SB 1201, by Senator Jim Battin, would provide that the aggregate limit of gaming device licenses available for issuance under the 1999 Tribal-State Gaming Compacts shall be 122,000, and would further provide that certain gaming device licenses available for issuance under subsequent compact amendments shall not be counted in determining whether that aggregate limit has been reached.

This measure is intended to settle the very controversial issue regarding the aggregate number of slots that the 61 tribes under the 1999 Compact can collectively operate. That compact did authorize up to 2,000 slots per tribe, but established an aggregate cap that was not sufficient for every tribe to achieve their maximum amount. Thus, distributing gaming licenses was done via a type of lottery. As such, significant inequities have occurred from tribe to tribe with respect to their allotted slot amount. Senator Battin wants to ensure that every tribal government with a 1999 Compact can obtain gaming licenses, if desired, up to the maximum of 2,000 gaming machines authorized in the compact.

Should SB 1201 be successful, numerous tribes would have the ability to pursue increased slot machines without the obligation to re-negotiate a new compact with Governor Schwarzenegger, and thus would not trigger the critical CSAC objective of requiring a judicially enforceable local agreement to mitigate off-reservation impacts. Therefore, CSAC is opposed unless amended to SB 1201.

CSAC believes that a Tribal Government operating a casino or other related businesses should mitigate all off-reservation impacts caused by that business. Furthermore, a tribal government operating a casino or other related businesses should pay to the local jurisdiction the tribe's fair share of appropriate costs for local government services. These services include, but are not limited to, water, sewer, fire inspection and protection, rescue/ambulance, food inspection, health and social services, law enforcement, roads, transit, flood control, and other public infrastructure.

In order to fully implement these principles, CSAC believes that tribes should meet with and reach a judicially enforceable agreement with local jurisdictions on these issues before a new compact or an extended compact becomes effective. Thus, CSAC requests that an amendment be made to SB 1201 requiring any tribe that increases its number of gaming devices under this legislation to negotiate a local agreement for the mitigation of off-reservation impacts with local communities.

SB 1201 was passed off the Senate Floor May 22 and now awaits a committee assignment in the Assembly.