



County of Los Angeles
CHIEF ADMINISTRATIVE OFFICE

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012
(213) 974-1101
<http://cao.co.la.ca.us>

DAVID E. JANSSEN
Chief Administrative Officer

Board of Supervisors
GLORIA MOLINA
First District

YVONNE B. BURKE
Second District

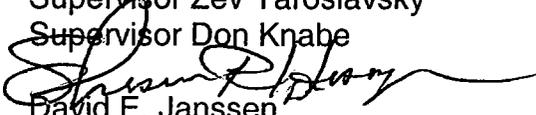
ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

August 24, 2006

To: Mayor Michael D. Antonovich
Supervisor Gloria Molina
Supervisor Yvonne B. Burke
Supervisor Zev Yaroslavsky
Supervisor Don Knabe

From: 
David E. Janssen
Chief Administrative Officer

SACRAMENTO UPDATE

Special Session on Prisons

Since the last Special Session memorandum on August 17, 2006, the Legislature has introduced five new bills, two in the Assembly and three in the Senate.

AB X2 12 (Leslie) Out-of-State Transfer of Prisoners. This bill would allow involuntary transfers of deportable State prisoners to out-of-state detention facilities. The Department of Corrections and Rehabilitation (CDCR) would be allowed to contract with either public or private operators of these facilities as long as the per inmate costs did not exceed the cost of housing inmates by the Department. AB X2 12 would not limit the transfers to undocumented persons. This bill is similar to AB X2 10 (Lieber) that would direct CDCR to maximize all opportunities to transfer any California prisoner to out-of-state correctional facilities. AB X2 12 has not been referred to a committee for hearing.

AB X2 13 (Lieber) Parole Reform. This bill would require the CDCR to appoint a five member working group at the State level to adopt a detailed action plan to reform the State parole system by improving offender outcomes and reducing recidivism. The working group would be required to complete its action plan and report to the Legislature and the Secretary of CDCR no later than 90 days after the operative date of the bill. AB X2 13 would also provide a \$75,000 grant to one county to develop a multi-agency local action plan to propose a comprehensive program for parolees and

develop methods to evaluate the successful reintegration into society. The local board would include membership from probation, district attorney, public defender, sheriff, police, social services, alcohol and drugs, mental health, education, and board of supervisors. The local action plan would be submitted to the Board of Supervisors for review and adoption. The Board of Supervisors would be required to report to the Correctional Standards Authority (CSA) no later than June 30, 2007 on the components of the plan it selected for implementation. This bill would appropriate \$4.35 million to implement the local plan. This bill has not been referred to a committee for hearing.

SB X2 5 (Speier) Out-of-State Transfer of Prisoners. This bill is similar to that of AB X2 12 as it would allow the involuntary out-of-state transfer of State prisoners with an ICE hold on them. It differs from AB X2 12 as it would require the transferred prisoners to have had all necessary Federal hearings to determine whether the prisoner would be deported after the completion of his/her State imprisonment. In addition, it would require the Federal government to assume custody of the prisoner at the end of the State sentence. Further, SB X2 5 would require that the out-of-state facility operator indemnify California for any injury incurred by the prisoner while in their facility. This bill has not been referred to a committee for hearing.

SB X2 6 (Speier) Female Offenders. This bill would authorize the CDCR to enter into contracts with public or private entities to house non-violent female offenders in community treatment facilities. SB X2 6 limits the size of these facilities to 200 beds. Gender specific treatment programs would be provided under this bill that would include but not be limited to: education; vocational and work programs; parenting and life skills; medical care; substance abuse; and trauma treatment. CDCR staff would be responsible for providing security at these facilities. SB X2 6 is similar in concept to the Administration sponsored bill AB X2 1 (Lieber) but it does not include a provision in the Assembly measure which would specify the placement of 4,500 non-violent female offenders in the community over a two-year period. SB X2 6 has not been referred to a committee for hearing.

SB X2 7 (Poochigian) Local Detention Facility Bond Act of 2006. This is a spot bill similar to AB X2 11 (Runner) that would authorize the CSA to administer a bond of undetermined amount for the construction, renovation, improvement or expansion of local detention facilities. Seventy-five percent of the funds would be allocated to adult facilities with the remaining 25 percent allocated to juvenile facilities. Local entities would have to provide a 25 percent match to funds allocated by the State. The CSA would be able to determine what constitutes a match on the part of the local government and would have the authority to modify or waive the matching requirement entirely. This bill has not been referred to a committee for hearing.

Clarification of Provisions of AB X2 7. Lastly, in our August 17, 2006 Special Session memorandum, we summarized the provisions of AB X2 7 (Dymally). As a point of clarification, this bill would make the penalties for possession for sale of cocaine base

the same as for possession for sale of cocaine powder. Persons convicted of either crime would be punishable by imprisonment in State prison for a term of 2, 3, or 4 years. Under current law, possession for sale of cocaine base is punishable by imprisonment in State prison for a term of 3, 4, or 5 years. This bill has not been referred to committee for hearing.

Pursuit of County Position on Legislation

SB 257 (Chesbro), as amended on August 21, 2006, would authorize the California Housing Finance Agency (Agency) to make loans to finance various forms of affordable housing, including supportive housing for those with special needs, such as persons with mental illness or disabilities who are at substantial risk of homelessness. Legislative findings indicate that financing special needs housing is particularly difficult because this housing will not support large amounts of conventional long-term debt, and note that the Agency has substantial experience and expertise in leveraging conventional financing with other secondary sources of financing to facilitate the development of affordable housing.

SB 257 would require the Agency to present a plan to the Legislature for the development, acquisition, construction, and rehabilitation of 10,000 additional units of supportive housing, using up to \$75 million annually in funding from the Mental Health Services Act (MHSA) as leverage to finance the capital costs of the projects, as provided for under an executive order from the Governor. It would authorize the Agency to issue revenue bonds for this purpose. The bill specifies that criteria for allocating funds and to evaluate potential projects will be included in the plan. The plan would be developed in consultation with the Department of Mental Health and the Department of Housing and Community Development, as well as other agencies and interested parties, and would be subject to the review of the Legislative Analyst's Office.

MHSA requirements emphasize the importance of decreasing homelessness among individuals with mental illness. Counties that receive MHSA funding will be required to collect client outcome data to demonstrate that the services provided result in a reduction in homelessness. The Board's adopted Strategic Housing Plan for Special Needs Populations, Homeless Prevention Initiative, and the County's Board approved MHSA Community Services and Supports Plan all include components to address the housing needs of the homeless mentally ill.

The County Mental Health Directors Association supports SB 257 because it will assist in the development of much needed housing for the homeless mentally ill. The Department of Mental Health (DMH) indicates that in Los Angeles County, and throughout the nation, mental health professionals struggle to maintain clients in treatment and recovery services when their basic living needs, including housing, are not being met. DMH reports that a number of mental health programs have demonstrated that clients' mental health outcomes are positively impacted when

programs include a focus on housing. The Community Development Commission (CDC) and our Service Integration Branch staff also note the need for additional funding for special needs housing.

DMH, CDC and our office recommend that the County support SB 257 because it will expand the availability of supportive housing which plays a vital role in mental health recovery for individuals with disabilities, including those living with severe mental illness, and we concur. We further recommend that the County actively participate in the development of the plan required under SB 257 to ensure that funds are distributed to counties in the most effective manner. Consistent with the County's Strategic Housing Plan for Special Needs Populations adopted by the Board on October 18, 2005, the Homeless Prevention Initiative adopted by the Board on April 4, 2006, and the County's MHSA Plan, **our Sacramento advocates will support SB 257 and work to ensure that the County actively participates in the development of the plan required under the measure.**

SB 257 is sponsored by the California Housing Finance Agency and supported by the Association of Regional Center Agencies, California Mental Health Directors Association, California State Association of Counties and the League of California Cities. There is no registered opposition. SB 257 passed the Assembly Floor on August 23, 2006, by a vote of 68 to 4, and now proceeds to the Senate for concurrence in Assembly amendments.

Status of County-Interest Legislation

County-supported AB 158 (Bermudez), which would create the Special Railroad Safety Task Force, comprised of specified members, and require the task force to meet monthly from January 2007 to December 2007 to study certain railroad safety issues, including vandalism, transporting hazardous waste, and identifying threats from terrorism, deficiencies in current land use planning and deficiencies for responding to railroad emergencies, and make recommendations for improving railroad safety, passed the Assembly Floor on August 22, 2006, by a vote of 79 to 0, and now proceeds to the Governor's Desk.

County-opposed AB 573 (Wolk), which would limit the scope of indemnity provisions that local agencies can require of design professional in agreements or contracts, passed the Assembly Floor on August 22, 2006, by a vote of 78 to 0, and now proceeds to the Governor's Desk. Our Sacramento advocates will be requesting the Governor to veto this measure.

County-supported AB 1979 (Bass), which would waive fees for conducting State criminal background checks for volunteer mentors of foster children, passed the Assembly on August 22, 2006, by a vote of 78 to 0, and now proceeds to the Governor.

County-support and amend AB 2838 (Pavley), which would establish the Coastal Environmental Motor Vehicle Program and authorize a fee of up to \$6 upon the registration or renewal of every motor vehicle registered in one of the 20 counties for environmental mitigation projects, passed the Senate on August 23, 2006, by a vote of 24 to 16, and now proceeds to the Assembly for concurrence with Senate amendments.

County-oppose unless amended AB 2987 (Nuñez), was heard by the Senate Committee on Appropriations on Monday, August 14, 2006, and was moved to the Suspense File. The hearing was unique because extensive testimony was allowed despite the fact that the bill was destined to go to Suspense. The County provided testimony on key amendments affecting the bill's definition of gross revenues, the basis for the five percent franchise fee. Despite considerable testimony in opposition to various provisions of the bill from the County, CSAC, the League of Cities, public interest groups and numerous individual counties and cities, AB 2987 passed off of the Senate Appropriations Committee Suspense File on Thursday, August 17, 2006, by a unanimous vote. It will next be considered on the Senate Floor.

The Committee substantially amended the bill before passing it although no statutory language for the amendments has been made available. All comments about the amendments taken in the Appropriations Committee are based on a summary memo from the Speaker's office.

Two of the amendments--requiring trials de novo for any disputes with the phone/cable TV providers and adding a reference to Generally Accepted Accounting Principles (GAAP) to the definition of gross revenues used to calculate the five percent franchise fee--were reinserted into the bill despite the fact that they were County-opposed and previously had been deleted by agreement.

The Department of Consumer Affairs indicates that the bill, as proposed to be amended by the Committee, would eliminate the ability of the County to negotiate franchise agreements with cable and phone companies offering television; establish a State franchising system that is not sensitive to local conditions and needs and does not provide for the same revenue provisions that are in the County's current cable franchise agreements; potentially jeopardize property tax revenues from the television provider's possessory interests in County rights-of-way; fail to provide effective penalties that would discourage enforcement of customer service standards; and only allow for County emergency alert overrides for a period of two years.

It should be noted that Consumer Affairs estimates that combining specific revenue exclusions and re-inserting a reference to GAAP in the definition of gross revenues will likely have only a minimal impact on County revenues, but that cannot be verified until the actual statutory language becomes available and is analyzed. In addition, the amount of the County's potential property tax loss exposure, as well as the potential

Each Supervisor
August 24, 2006
Page 6

loss for schools, cities and all other local entities receiving property taxes, is unclear because no statutory language on this issue has yet been made available.

We will continue to keep you advised.

DEJ:GK
MAL:JF:IGR:cc

c: All Department Heads
Legislative Strategist
Local 660
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants