



County of Los Angeles CHIEF EXECUTIVE OFFICE

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WILLIAM T FUJIOKA
Chief Executive Officer

May 30, 2014

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Second District

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To: Supervisor Don Knabe, Chairman
Supervisor Gloria Molina
Supervisor Mark Ridley-Thomas
Supervisor Zev Yaroslavsky
Supervisor Michael D. Antonovich

From: William T Fujioka
Chief Executive Officer

SACRAMENTO UPDATE

Executive Summary

This memorandum contains reports on the following:

- **Legislative Deadlines.** A report on the Legislative deadline to pass bills out of their house of origin.
- **Status of County-Advocacy Legislation.** Updates on 16 County-advocacy measures related to: 1) monitoring community care facilities; 2) homeownership units of a former redevelopment agency; 3) motion picture tax credits; 4) parental fees for State preschools; 5) paid parental leave; 6) worker's compensation; 7) electricity services; 8) the Property Tax Postponement Program; 9) the California Services Corps; 10) disability payments for peace officers; 11) property tax agents registration; 12) job-related injuries of hospital employees; 13) employer penalties for delayed worker's compensation payments; 14) county veterans services officers; 15) disposal of home-generated pharmaceutical waste; 16) Mentally Ill Offender Crime Reduction grants; 17) redevelopment successor agencies; and 18) finger imaging of Drug Medi-Cal providers.
- **Status of Legislation of County Interest.** Updates on nine measures of significant interest to the County related to: 1) investigation of long-term care facilities; 2) conducting special elections; 3) human trafficking; 4) Medi-Cal interpreter services; 5) increasing the State minimum wage; and 6) licensing medical marijuana dispensing facilities.

"To Enrich Lives Through Effective And Caring Service"

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Legislative Deadlines

On May 29, 2014, one day prior to the Legislative deadline to pass bills out of the house of origin, the Assembly and Senate took action on numerous measures including the County-advocacy measures and bills of County interest reported below. Bills which failed to pass will not move forward this year.

Status of County-Advocacy Legislation

County-supported AB 1454 (Calderon), which as amended on March 23, 2014, would: 1) make community care facilities subject to an annual unannounced visit by the California Department of Social Services (CDSS) on and after July 1, 2017; 2) require CDSS to conduct annual unannounced visits to no less than 30 percent of facilities, instead of the 20 percent under current law, on or before July 1, 2015, and no less than 20 percent of those facilities on or before July 1, 2016, among other provisions, passed the Assembly Floor by a vote of 79 to 0 on May 28, 2014. This measure now proceeds to the Senate.

County-support-and-amend AB 1793 (Chau), which as introduced on February 18, 2014, would: 1) require the California Housing Finance Agency, on or before July 1, 2015, to conduct a request for proposals to identify up to six nonprofit organizations as being eligible to accept responsibility for enforcing the affordability deed restrictions on homeownership units of a former redevelopment agency, from a city, county, city and county, or housing authority; 2) authorize a city, county, city and county, or housing authority that has elected to retain the housing assets and function previously performed by a redevelopment agency to transfer responsibility associated with enforcing the affordable deed restrictions on homeownership units to one of the qualified nonprofit organizations identified; and 3) require the nonprofit organization to provide an annual audit of below market rate units to the donating city, county, city and county, or housing authority, and would require the city, county, city and county, or housing authority to publish the audit on its website, passed the Assembly Floor by a vote of 77 to 0. This measure now proceeds to the Senate.

County-supported AB 1839 (Gatto and Bocanegra), which as amended on May 23, 2014, would extend qualified motion picture tax credits for the period of July 1, 2016 through June 30, 2021, and increase the amount of tax credits for a qualified motion picture to the applicable percentage of qualified expenditures up to \$100.0 million, among other provisions, passed the Assembly Floor by a vote of 76 to 0 on May 28, 2014. This measure now proceeds to the Senate.

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County-supported AB 1902 (Bonta), which as amended on April 9, 2014, would eliminate the current requirement to assess fees on low-income families with children who attend a part-day State preschool program, passed the Assembly Floor by a vote of 61 to 16 on May 27, 2014. This measure now proceeds to the Senate.

County-opposed AB 2030 (Campos), which as introduced on February 20, 2014, would require employers to allow parents, grandparents and guardians to take time off, up to 40 hours each year, to participate in school activities without loss of pay, and without the current requirements to use existing vacation time, personal leave, compensatory time off, or time off without pay as available, was scheduled for hearing in the Assembly Labor and Employment Committee on April 23, 2014, but was not heard at the request of the author. This measure will not proceed this year.

County-opposed AB 2052 (Gonzalez), which as amended on April 8, 2014, would extend certain workers' compensation presumptions to all employees that fall under the statutory definition of peace officer, passed the Assembly Floor by a vote of 53 to 18 on May 28, 2014. This measure now proceeds to the Senate.

County-opposed AB 2145 (Bradford), which as amended on April 10, 2014, would require each electricity customer to opt-in a Community Choice Aggregation (CCA) Program by requiring a positive declaration from the customer for participation in a CCA Program, among other provisions, passed the Assembly Floor by a vote of 51 to 15 on May 28, 2014. This measure now proceeds to the Senate.

County-supported AB 2231 (Gordon, Levine, Patterson), which as amended on April 21, 2014, would: 1) reinstate the Senior Citizens and Disabled Citizens Property Tax Postponement (PTP) Program to provide for deferment of property taxes for qualified seniors and disabled persons; 2) establish the Senior Citizens and Disabled Citizens PTP Fund (Fund) to pay the administrative costs and disbursements related to the postponement of property taxes for eligible applicants; 3) require PTP loan payments and funds resulting from the voluntary sale of a property that has a lien to be deposited directly into the Fund; 4) require the State Controller to provide county tax collectors with information required to prepare for and enforce the sale of tax-defaulted property, subject to the request of county tax collectors and their certification under penalty of perjury that the information is being requested for this specific purpose, among other provisions, passed the Assembly Floor by a vote of 77 to 0 on May 27, 2014. This measure now proceeds to the Senate.

County-supported AB 2328 (Pérez), which as introduced on February 21, 2014, would establish the California Service Corps to administer Federal AmeriCorps Program grants to recruit, train and place volunteers in community settings and to provide

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student loan assistance for the volunteers, passed the Assembly Floor by a vote of 76 to 0 on May 27, 2014. This measure now proceeds to the Senate.

County-opposed AB 2378 (Perea), which as amended on May 23, 2014, would allow the payment of Labor Code 4850 disability benefits, special leaves of absence without loss of pay benefits to certain peace officers, in addition to the maximum benefits allowed for temporary disability payments, passed the Assembly Floor by a vote of 66 to 8 on May 28, 2014. This measure now proceeds to the Senate.

County-supported AB 2415 (Ting), which as amended on May 23, 2014, would, beginning April 1, 2016, require a property tax agent to register biannually with the Secretary of State before representing a taxpayer before a county official, passed the Assembly Floor by a vote of 48 to 26 on May 29, 2014. This measure now proceeds to the Senate.

County-opposed AB 2604 (Brown), which as introduced on February 21, 2014, would amend workers' compensation provisions related to employer penalties for delayed or refused payments to: 1) broaden what is considered an unreasonable delay or refusal; and 2) allow for a higher, maximum penalty to employers whom have been deemed as unreasonably delaying or refusing workers' compensation awards, was scheduled in the Assembly Insurance Committee on April 23, 2014, but was not heard at the request of the author. This measure will not proceed this year.

County-opposed AB 2616 (Skinner), which as amended on April 29, 2014, would expand the presumption of job-related injuries to cover hospital employees for methicillin-resistant staphylococcus aureus, a skin infection, passed the Assembly Floor by a vote of 48 to 26 on May 28, 2014. This measure now proceeds to the Senate.

County-supported AB 2703 (Quirk-Silva), which as amended on May 1, 2014, would require the California Department of Veterans Affairs, no later than January 1, 2015, to develop an allocation formula based upon performance to encourage innovation and reward outstanding service by County Veterans Service Officers (CVSOs) and would continuously appropriate \$6.0 million from the State General Fund for specified disbursement to counties to fund the activities of CVSOs, passed the Assembly Floor by a vote 78 to 0 on May 29, 2014. This measure now proceeds to the Senate.

SB 1014 (Jackson), which as amended on May 27, 2014, would authorize the establishment of a voluntary program to collect and dispose of home-generated pharmaceutical waste based on program regulations adopted by the Department of Resources Recycling and Recovery, passed the Senate Floor by a vote of 33 to 3 on May 29, 2014. This measure now proceeds to the Assembly.

County-supported SB 1054 (Steinberg), which as amended on April 7, 2014, would appropriate \$50.0 million for Mentally Ill Offender Crime Reduction grants, passed the Senate Floor by a vote of 36 to 0 on May 28, 2014. This measure now proceeds to the Assembly.

County-oppose-unless-amended SB 1129 (Steinberg), which as amended on April 22, 2014, would: 1) authorize a successor agency, if it has received a Finding of Completion from the Department of Finance (DOF), to enter into or amend existing contracts and agreements, or otherwise administer projects in connection with enforceable obligations, if the contract, agreement, or projects will not commit new property tax funds or otherwise adversely affect the flow of tax revenues or payments to the taxing agencies; 2) include within the definition of "enforceable obligation" an agreement entered into between the redevelopment agency prior to June 30, 2011, if the agreement relates to State highway infrastructure improvements to which the redevelopment agency committed funds; 3) authorize a successor agency to use proceeds from bonds issued during the 2011 calendar year, upon approval of the oversight board, if the use of those bond proceeds is consistent with the sustainable communities strategy adopted by the Metropolitan Planning Organization (MPO); 4) specify that a compensation agreement between taxing entities is not required for the disposition of properties pursuant to a Long-Range Property Management Plan (LRPMP) and prohibit DOF from requiring compensation agreements as part of the approval of a LRPMP; 5) specify that DOF shall only consider whether the LRPMP makes a good faith effort to inventory all the properties and addresses for the use or disposition of all the properties; and 6) delete the requirement that DOF approve a LRPMP by January 1, 2015, and instead, require DOF to approve the LRPMPs as expeditiously as possible, was amended on May 27, 2014.

As amended, the bill would now also: 1) set a deadline of January 1, 2016 for the State Controller to review transfers between a redevelopment agency and a city or county to determine if they were made after January 1, 2011 or if they were made pursuant to an enforceable obligation; 2) require the DOF to provide written confirmation within 45 days that an enforceable obligation which provides for the irrevocable commitment of property tax revenue, if approved on a ROPS, is final and conclusive; and 3) state that DOF is not required to review any actions relating to the disposition of property after a LRPMP has been approved.

This office, County Counsel, and the Auditor-Controller have reviewed the amendments to SB 1129 and report the bill still does not address the County's concerns regarding elimination of requirements for compensation agreements, limiting DOF's authority to conduct a meaningful review and analysis of LRPMPs, and allowing successor

agencies to enter into or amend contracts and agreements. **Therefore, the Sacramento advocates will continue to oppose SB 1129 unless amended to eliminate these concerns.**

SB 1129 passed the Senate Floor by a vote of 27 to 8 on May 28, 2014. This measure now proceeds to the Assembly.

SB 1339 (Cannella), which as amended on May 27, 2014, would require: 1) a certified Drug Medi-Cal provider's owner and medical director to, prior to contracting with a county or the California Department of Health Care Services (DHCS), submit fingerprint images and other related information to the California Department of Justice (DOJ) to obtain the person's criminal history information; 2) DOJ to forward the fingerprint images and related information to the Federal Bureau of Investigations (FBI) and to request a Federal summary of criminal information; 3) DOJ to review the information received from the FBI and provide a response to the affected counties or DHCS, while also authorizing DOJ to charge a fee to provider owners or medical directors sufficient to cover the cost of processing the criminal history information, passed the Senate Floor by a vote of 36 to 0 on May 28, 2014. This measure now proceeds to the Assembly.

Status of Legislation of County Interest

AB 1816 (Yamada), which as amended on May 23, 2014, would: 1) set a performance benchmark for the California Department of Public Health (CDPH) to complete complaint investigations of long-term health care facilities within a defined number of days, not to exceed 60 working days; 2) require CDPH to, if it extends an investigation beyond the number of days specified in the benchmark, notify a complainant in writing regarding the basis for the extension; 3) require CDPH to analyze its compliance with the benchmark in its annual system and staffing analysis, and make that analysis available to the relevant fiscal and policy committees of the Legislature and on its website; and 4) allow a complainant to, within 15 days of receiving CDPH's investigation determination notice, notify the Director of CDPH of his or her request for an informal conference to review CDPH's determination, passed the Assembly Floor by a vote of 78 to 0 on May 29, 2014. This measure now proceeds to the Senate.

AB 1873 (Gonzalez), which as amended on May 28, 2014, would allow counties, until January 1, 2020, to conduct legislative and congressional special elections predominantly by mail, passed the Assembly Floor by a vote of 44 to 32 on May 29, 2014. This measure now proceeds to the Senate.

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AB 2035 (Chesbro), which as amended on May 23, 2014, would: 1) provide that a minor may become a dependent child of the court if the minor is a victim of human trafficking, sexual exploitation, received food or shelter in exchange for sexual acts, and the parent or guardian failed or was unable to protect the child; 2) require training for an administrator of a group home facility, licensed foster parent, or relative or nonrelative extended family member caregiver to include instruction on providing adequate care to a sexually exploited and trafficked minor in out-of-home care, passed the Assembly Floor by a vote of 78 to 0 on May 28, 2014. This measure now proceeds to the Senate.

AB 2325 (Pérez), which as introduced on February 21, 2014, would require the California Department of Health Care Services to establish the Medi-Cal Patient-Centered Communication Program to provide and reimburse medical interpretation services for Medi-Cal beneficiaries who are limited English proficient, passed the Assembly Floor by a vote of 53 to 25. This measure now proceeds to the Senate.

SB 935 (Leno), which as amended on March 18, 2014, would increase the State minimum wage to \$11.00 an hour on January 1, 2015, to \$12.00 an hour on January 1, 2016, and to \$13.00 an hour on January 1, 2017, and thereafter, adjusts it annually based on inflation, passed the Senate Floor by a vote of 21 to 12 on May 29, 2014. This measure now proceeds to the Assembly.

SB 1262 (Correa), which as amended on May 27, 2014, would require the California Department of Consumer Affairs to license medical marijuana dispensing facilities and cultivation sites, passed the Senate Floor by a vote of 31 to 0 on May 28, 2014. This measure now proceeds to the Assembly.

We will continue to keep you advised.

WTF:RA
MR:VE:IGEA:ma

c: All Department Heads
Legislative Strategist
Local 721
Coalition of County Unions
California Contract Cities Association
Independent Cities Association
League of California Cities
City Managers Associations
Buddy Program Participants