

**To:** East Contra Costa Fire Protection District  
**From:** Townsend Public Affairs, Inc.  
**Date:** September 2, 2021  
**Subject:** Legislative Report for ECCFPD – August 2021

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### **State Legislative Update**

The Legislature reconvened from summer recess on August 16<sup>th</sup> to finish its final month of session, which adjourns September 10<sup>th</sup>. Since its return, the Legislature has operated at a quick pace so that they could meet the fiscal deadline of August 27<sup>th</sup> to move bills to the floor of the Assembly and Senate.

Prior to the fiscal deadline, the Assembly and Senate Appropriations Committees considered measures on their suspense files, wherein bills determined to have a significant fiscal impact either progress to the Assembly or Senate Floor, become two-year bills, or are held under suspense and are no longer active. The Assembly Appropriations Committee acted on 205 measures from its Suspense File and passed 80 percent of them, with just over half of the passed measures incorporating amendments. The Senate Appropriations Committee acted on 322 measures from its Suspense File and passed 79 percent of them, which also featured about half of measures incorporating amendments.

Following the fiscal deadline, the Legislature will conduct floor sessions nearly every day until the September 10<sup>th</sup> deadline. As of now, a total of 740 bills await action for the final two weeks of session, with 245 awaiting consideration in the Assembly and 495 awaiting consideration in the Senate. The Governor has signed a total of 350 bills throughout the current session, with an additional 49 enrolled and awaiting his decision.

### **Housing and Land Use Legislation Update**

This month featured the progression and failure of numerous key housing and land use bills. The Legislature passed the highly contentious SB 9 (Atkins), which would require the ministerial approval off a housing development of up to two units, or the subdivision of a parcel into two equal parcels. The bill is now in the Governor's Office for a signature or veto. As of now, the Governor has not made any public statements on whether he will sign it. Even if the recall election is successful, he could still sign the bill prior to leaving office.

Senate Bill 9 is one of two high-profile bills that passed the Legislature at the end of August. Senate Bill 10 (Wiener), which would permit a local government to pass an ordinance to rezone any parcel up to 10 units of residential density per parcel.



In addition to the passage of housing bills SB 9 and SB 10, numerous priority bills related to housing and land use met their fate during the appropriations suspense file hearings. Below is a brief overview of a few housing and land use bills and their outcomes:

- **AB 1401 (Friedman)**, which would prohibit local governments from imposing or enforcing a minimum parking requirement on developments near public transit, was held under suspense and is no longer active.
- **SB 478 (Wiener)**, increases the production of medium-density housing by removing barriers to development. It would do so by establishing a minimum Floor Area Ratio (FAR) of 1.0 for a housing development project consisting of three to seven units, and 1.25 for a housing development project consisting of eight to ten units. The bill also prohibits the enforcement of maximum lot coverage requirements that preclude building at the FAR established in the bill. These requirements would only apply on sites that are not zoned for single family, are not in historic districts, and are within or proximal to existing urban areas. This bill would also preclude a local government from denying a housing development project located on an existing legal parcel solely on the basis that the lot area of the proposed lot does not meet the local agency's requirements for minimum lot size. This bill is awaiting a vote on the Assembly Floor.

#### Recall Election Update

As the Legislature continues its process of advancing legislation to the Governor's Desk, the Governor is campaigning in advance of the upcoming recall election. The recall election is scheduled for September 14, 2021, but all registered voters have already been mailed their ballot. If the recall is successful, Governor Newsom will remain in office until the election is certified. It is anticipated that the Secretary of State would take the full time that is permitted (30 business days) to certify the election. This would keep the Governor in office past the deadline for him to act on legislation.

In late August, a federal judge affirmed in a recent ruling that California's recall process is constitutional. This follows some legal scholars questioning the process in recent weeks because the two-question recall ballot makes it possible for a candidate to replace Newsom with fewer votes. Two Los Angeles voters filed a federal suit challenging the recall process and asking a court to either cancel the election or to add Newsom's name to the list of replacement candidates on the second part of the ballot. Judge Fitzgerald ruled that the plaintiff "plainly feels disgruntled that a replacement candidate with a small plurality might replace a sitting governor who, based on a robust 'No' vote, might well have beaten that same replacement candidate in a general election," and that, "such disgruntlement raises no federal constitutional issues and certainly does not give the federal judiciary the right to halt the mammoth undertaking of this gubernatorial recall election."

#### New Capitol COVID-19 Rules

Prior to the Legislature's return from summer recess, two memos were sent to all California State Capitol staff and lawmakers announcing mandatory twice-weekly COVID testing, regardless of vaccination status. Mandatory masks and social distancing are also part of the daily routine.



These new requirements arise from an uptick in COVID cases within the capitol community, with many of them being from vaccinated individuals.

Following the testing mandate, Assembly Speaker Anthony Rendon announced that every employee of the Assembly would be required to begin the process of getting fully vaccinated by September 1. As of now, a vaccine requirement has not been implemented in the Senate. These measures will ensure that the remaining weeks of session are held in-person, rather than virtually. However, meetings with the public are primarily being conducted virtually.

### California Workplace Pandemic Standards

During the most recent Cal/OSHA Standards Board Meeting, members said the soonest they are likely to vote on new rules designed to tamp down COVID-19 outbreaks is December. This means current workplace standards still stand—including that vaccinated people do not have to wear masks while unvaccinated people do—although workers can self-attest that they have been vaccinated without showing proof. Social distancing and capacity restrictions are also not in force. These standards are separate from those imposed by State and county health departments, which govern other public spaces. The future focus on revising standards will likely be on vaccination rules, masking, and other virus prevention measures.

### Pandemic Impact on Local Revenues

In August, the California State Auditor (Auditor) has released an updated analysis of the revenue impact of COVID on California's local governments. While this information just focuses on cities, we are expecting additional analysis from the LAO in the coming months for more public agencies.

Last fall, the Auditor began working to estimate the impact that the response to the COVID-19 pandemic would have on the revenues of cities throughout California. The Auditor found that almost all cities were projected to lose some revenue, but found that COVID-19 restrictions significantly affected cities that rely on tourism and entertainment.

The Auditor just updated its initial assessment to determine the financial situation of California cities in light of stimulus payments from the federal American Rescue Plan Act, property taxes, and increased tax revenues as the economy has started reopening.

The Auditor analysis has found the following:

- Out of the over 450 cities in California, only Yountville is projected to receive insufficient stimulus funds, property tax revenue, and other tax revenue increases to cover its COVID-19 related revenue loss.
- Property tax revenues also increased across the State. Economic forecasts indicate that California cities will receive over \$2.3 billion in additional property taxes between fiscal years 2019-20 and 2021-22.



- By the end of fiscal year 2021-22, the Auditor projects that five cities will have received revenue increases equal to at least one year of pre-pandemic revenues (San Joaquin, Maricopa, Parlier, Mendota, and Orange Cove).
- The Auditor projects that 18 cities did not receive enough stimulus funds alone (without considering property tax and other tax revenues) to cover their COVID-19 related revenue losses, including: Avalon, Beverly Hills, Brisbane, Burlingame, Calistoga, Carmel-By-The-Sea, El Segundo, Emeryville, Indian Wells, Laguna Beach, Mammoth Lakes, Menlo Park, Monterey, San Francisco, Santa Monica, Solvang, West Hollywood, and Yountville.

Executive Orders

On March 4, 2020, Governor Newsom declared California in a State of Emergency as a result of the threat of COVID-19. Since that time, the Governor has passed 58 Executive Orders which suspended statues and regulations to help the state and businesses continue operations during the pandemic. In addition, the California Department of Public Health has released updated state public health orders. This memo summarizes the current Executive Orders as well as the current State Public Health order.

On June 11, 2021, Governor Newsom announced action to lift pandemic executive orders and the tiered reopening system. Effective June 15<sup>th</sup>, restrictions such as physical distancing, capacity limits, and the county tier system ended with all sectors returning to usual operations.

By June 30, 2021, the Governor ended specific provisions of 34 executive orders. Provisions of another four executive orders were dropped on July 31, 2021. Another 22 orders are set to be amended by September 30, 2021, with two being eliminated entirely.

The 22 orders that are still in place, with some amendments, are all in effect through September 30, 2021. They include, but are not limited to:

Executive Order	What It Does – Provisions in Effect through September 30, 2021
State of Emergency – March 4, 2020  Paragraph 3 Paragraph 14	Related to out of state personnel entering California and Department of Social Services response to COVID.
N-25-20 Paragraph 2, 3, 4	Provisions are related to the Employment Development Department
N-28-20 Paragraph 4, 5	Moratorium on foreclosures and related evictions when they arise out of a substantial decrease in income or medical expenses related to COVID
N-29-20	Amended and extended public meeting requirement to hold public meetings via teleconference and to make public meetings accessible electronically



N-32-20, Paragraph 1, 2, 3	Suspends any restrictions on local jurisdictions from expending HEAP funding on COVID impacts on homeless individuals
N-35-20 Paragraph 2, 12	Brown Act suspension related to COVID-19 updates and decisions.
N-39-20 Paragraph 2, 3, 6	Related to waiting professional and certification licensing for nursing assistances and home health aids
N-40-20	Related to the Director of Consumer Affairs waiving continuing education requirements
N-42-20	Suspends the authority of urban and community water systems to discontinue water service for non-payment of bills
N-43-20	Related to health care providers consent of telehealth services
N-29-20 Paragraph 2	Waiver of the 48-month time limit for CalWORKS aid
N-54-20 Paragraph 8 and 9	Suspension of public filing, notice, and public access requirements for projects undergoing CEQA
N-55-20 Paragraph 2, 3, 7, 11, 12	Related to Medical Cal and DHCS administrative hearings and hearings for California Children Services and patient psychiatric medication
N-58-20	Related to process to obtain a marriage license
N-66-20 Paragraph 6	Related to HCD financial and regulatory accommodations for projects adversely affected by COVID
N-71-20 Paragraph 15, 22, 23	Related to transactions at the DMV and Department of Social Services
N-75-20 Paragraph 1, 2, 4	Related to adjusting the definition of “eligible beneficiaries” for CSBG funded services
N-80-20 Paragraph 3, 7	Related to shareholder meetings and Department of Managed Care actions on health service plans
N-83-20 Paragraph 2, 4	Related to the deadline to pay annual fees under the Business and Professions Code and DMV transactions
N-03-21	Commercial evictions extended through September 30, 2021



## Priority Legislation

The final day to pass bills in the first year of the 2021-22 legislative session is September 10<sup>th</sup>. Any bill that does not pass prior to adjournment will become a two-year bill and will be eligible for additional consideration beginning January 2022.

Below are the upcoming relevant dates for the Legislature:

**August 27<sup>th</sup>** – Last day for fiscal committees to pass bills in the Second House

**September 10<sup>th</sup>** – Last day for Legislature to pass bills. Interim recess begins upon adjournment

**October 10<sup>th</sup>** – Last day for the Governor to act on pending legislation

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

### *AB 450 (Gonzalez) – Paramedic Disciplinary Review Board*

The bill would create the Paramedic Disciplinary Review Board to take disciplinary actions previously granted to the Emergency Medical Services Authority against an EMT-P license holder and to hear appeals regarding the authority's denial of licensure, among other things. The bill would specify the composition and appointment of the 7-member board, which would be required to select a salaried executive officer to perform duties delegated to them by the board. The bill would require the employer of a paramedic to report to the director of the authority and the board regarding the suspension or termination of a paramedic for cause and would require the board to consider employer-imposed discipline and other criteria to determine an appropriate licensure action. CalChiefs/FDAC: Support. **This measure was approved by the Senate Appropriations Committee (7-0) and is on the Senate Floor awaiting consideration.**

### *AB 642 (Friedman) – Wildfires*

Current law requires the Director of Forestry and Fire Protection to identify areas of the state as very high fire hazard severity zones. Current law also requires a local agency, within 30 days of receiving a transmittal from the director that identifies very high fire hazard severity zones, to make the information available for public review. This bill would require the director to identify areas in the state as moderate and high fire hazard severity zones. The bill would modify the factors the director is required to use to classify areas into fire hazard severity zones, as provided. The bill would require a local agency, within 30 days of receiving a transmittal from the director that identifies fire hazard severity zones, to make the information available for public comment. CalChiefs/FDAC: Support. **This measure was approved by the Senate Appropriations Committee (7-0) and is on the Senate Floor awaiting consideration.**

### *AB 1104 (Grayson) – Air ambulance services*

Current law imposes a penalty of \$4 until July 1, 2021, upon every conviction for a violation of the Vehicle Code or a local ordinance adopted pursuant to the Vehicle Code, other than a parking offense. The act requires the county or court that imposed the fine to transfer the revenues collected to the Treasurer for deposit into the Emergency Medical Air Transportation and Children's Coverage Fund. Current law requires the assessed penalty to continue to be collected, administered, and distributed until exhausted or until December 31, 2022, whichever occurs first. These provisions remain in effect until January 1, 2024, and are repealed effective January 1, 2025. This bill would extend the assessment of penalties pursuant to the above-described provisions until December 31, 2022, and would extend the collection and transfer of penalties





until December 31, 2023. CalChiefs/FDAC: Support. **This measure was approved on the Senate Floor (39-0) and has been referred back to the Assembly for concurrence in Senate amendments.**

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

The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements. CalChiefs/FDAC: Support. **This measure has been referred to the Assembly Local Government Committee. The measure has not yet been set for a hearing.**

*SB 12 (McGuire) – Planning and Zoning: wildfires*

Current law requires that the Office of Planning and Research, among other things, coordinate with appropriate entities, including state, regional, or local agencies, to establish a clearinghouse for climate adaptation information for use by state, regional, and local entities. This bill would require the safety element, upon the next revision of the housing element or the hazard mitigation plan, on or after July 1, 2024, whichever occurs first, to be reviewed and updated as necessary to include a comprehensive retrofit strategy to reduce the risk of property loss and damage during wildfires and would require the planning agency to submit the adopted strategy to the Office of Planning and Research for inclusion into the above-described clearinghouse. CalChiefs/FDAC: Support. **This measure was approved by the Assembly Local Government Committee (6-0) and has been referred to the Assembly Housing and Community Development Committee but was not considered prior to the policy committee deadline. The measure is now a two-year bill and will be eligible for consideration in January.**

*SB 63 (Stern) – Fire prevention: vegetation management: public education grants*

This bill makes multiple changes in state law to enhance fire prevention efforts by the California Department of Forestry and Fire Prevention, including, among other things, improved vegetation management and expanding the area where fire safety building standards apply. CalChiefs/FDAC: Support. **This measure was approved by the Assembly Appropriations Committee (12-0) and is awaiting consideration on the Assembly Floor.**

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

Current law requires the Office of Emergency Services and the Department of Forestry and Fire Protection to jointly establish and lead the Wildfire Forecast and Threat Intelligence Integration Center, and sets forth the functions and duties of the center, including serving as the state's integrated central organizing hub for wildfire forecasting. This bill would, until January 1, 2029, also establish the Office of Wildfire Technology Research and Development within the Department of Forestry and Fire Protection under the direct control of the Director of the department. The bill would make the office responsible for studying, testing, and advising regarding procurement of emerging technologies and tools in order to more effectively prevent and suppress wildfires throughout the state, through specified activities. CalChiefs/FDAC:



Support. **This measure was approved on the Assembly Floor (78-0) and has been referred back to the Senate for concurrence in Assembly amendments.**

### **Federal Legislative Update**

#### Congressional Community Project Funding Request

TPA has been working closely with ECCFPD over the last few months to submit the Fire Station project for consideration through the Congressional Community Project Funding, or earmark, process. TPA worked with ECCFPD to submit a request for \$3 million in funding for a new fire station. Congressman McNerney selected the project as one of his top projects to be submitted to the House Appropriations Committee for consideration. The Fire Station project was included in the Six-Bill Appropriations Minibus that passed the House on July 31<sup>st</sup>, to be funded for \$1,500,000.

TPA also submitted the Fire Station project to Senator Feinstein and Senator Padilla for consideration through the Senate Appropriations process. Senator Padilla selected the project as one of his finalists to be submitted to the Senate Appropriations Committee for consideration for \$3,000,000. The Senate is expected to begin marking up appropriations bills in September.

From a timing perspective, Congress is very unlikely to agree on all twelve funding bills prior to the end of the federal fiscal year on September 30<sup>th</sup>. When lawmakers return from the traditional August Recess conversations will turn to a continuing resolution to fund the government past the deadline at current levels. Reaching an agreement later in the year could be complicated by the spending increases for domestic programs sought by House Democrats. Republicans have opposed many policy provisions sought by Democrats, as well as the omission of some riders such as the Hyde amendment that has restricted federal funding for most abortions. Conversations with Capitol Hill staff indicate that lawmakers will need until after Thanksgiving at the earliest to strike a deal on government funding.

TPA will continue to advocate for funding for the Fire Station to be included in the final appropriations package that is signed into law by President Biden.

#### Congressional Activity

The Senate adjourned for August recess on the 11<sup>th</sup>, just shortly after passing the framework for budget reconciliation and the bipartisan infrastructure deal. The House briefly broke from their recess to adopt the reconciliation framework. Both chambers will resume session on September 13<sup>th</sup>. When they return, Congress will work toward passing the \$3.5 trillion Budget through the reconciliation process. Some lawmakers had been calling for both chambers to reconvene earlier than planned to address the ongoing situation in Afghanistan, but it appears unlikely that Speaker Pelosi or Majority Leader Schumer will end August recess early.

#### Budget Reconciliation

At the beginning of August, the Senate introduced and passed the framework for the \$3.5 trillion Budget Resolution. The process, known as budget reconciliation, is a multi-step process that will play out in Congress between now and the fall. The framework was adopted by the House on





August 24<sup>th</sup>. The process will continue with the relevant House committee's mark-up scheduled to begin the first two weeks of September. The resolution provides a target date of September 15 for the committees to submit their reconciliation legislation.

### Infrastructure Package

On August 1<sup>st</sup>, the bipartisan group of Senators negotiating the infrastructure spending bill finally released legislative text. The bill contains the biggest infusion of U.S. federal spending on infrastructure in decades. It includes about \$110 billion in new spending for roads and bridges, \$73 billion of electric grid upgrades, \$66 billion for rail and Amtrak, and \$65 billion for broadband expansion. It also provides \$55 billion for clean drinking water and \$39 billion for transit.

On August 10, the Senate passed the infrastructure bill on a 69-30 vote. House Speaker Nancy Pelosi has said the House will take up a vote on the bill by September 27.

### FEMA Reimbursement Extension

California's Project Roomkey program will continue to receive federal assistance through the end of the calendar year, a benefit that was set to expire in the fall. The Biden Administration expanded the authority of FEMA to provide 100 percent Federal cost share for all work eligible under Public Assistance Category B through December 31, 2021. Items that fall into the Assistance Category B are defined as Emergency Protective Measures—actions taken by a community before, during, and following a disaster to save lives, protect public health and safety, or eliminate immediate threat of significant damage to improved public and private property through cost effective measures.

### District Legislative Priorities

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

#### Legislative Priority 1 – Chapter 13 EMS System Modifications

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

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

In late 2019, EMSA issued proposed Chapter 13 regulations that would have aimed to define the standards, policies, and procedures for all local EMS systems. Additionally, the proposed regulations would have clarified and made specific criteria for determining whether a city or fire



district that has contracted for, or provided prehospital EMS as of June 1, 1980, has consistently provided that service without any reduction in the level of service since that time. The regulations would have also made specific criteria for the determining when an exclusive operating area may be created without a competitive process and the process to be used when awarding an exclusive operating area via a competitive process.

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

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

There is one bill introduced in the current legislative session directly related to local EMS agencies, AB 389 (Grayson). AB 389 would authorize a county to contract for emergency services with a fire agency that is governed by the county's board of supervisors and provides those services through a written subcontract with a private ambulance provider. This bill was also recently amended to prohibit, after January 1, 2022, a county from entering into, or renewing, these contracts unless the county board of supervisors has adopted a written policy setting forth issues to be considered for inclusion in the county contract for emergency services and requires the contract to be awarded through a competitive bidding process. AB 389 is sponsored by Contra Costa County. AB 389 was approved by the Senate Health Committee (8-1) and is currently on the Senate Floor.

#### Legislative Priority 2 – Job Order Contracting

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

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



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

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

Earlier this year, Assembly Member Low introduced AB 846, related to job order contracting. This bill would extend the current December 31, 2021, sunset date that allows school districts and community colleges to utilize job order contracting until January 1, 2027. Additionally, the bill modifies the job order contracting provisions to specify that any entity awarded a contract in excess of \$25,000 shall provide an enforceable commitment that the entity and its subcontractors at every tier will use a skilled and trained workforce to perform all work on the job order contract that falls within an apprenticeable occupation in the building and construction trades. AB 846 was approved by the Legislature and has been sent to the Governor for his consideration. The Governor has until October 10<sup>th</sup> to act on the measure.

### Legislative Priority 3 – Mitigation Fee Act

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

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

This year there have not been nearly as many bills introduced dealing with mitigation fees as there were last year. Building on the roundtable discussions that were held early last year, Assembly Member Grayson has introduced two measures, AB 602, and AB 678, to continue the conversation around mitigation fees.

AB 602 includes provisions related to nexus studies, including best practices and standards for transparency, assessment based on proportional square footage, and cleanup on posting fee schedules. A coalition of public agency associations, including the California State Association of Counties and the League of California Cities have taken an oppose unless amended position on AB 602, as they believe that the Department of Housing and Community Development (HCD)



does not have the necessary expertise, nor does the bill require HCD to consult with stakeholders when developing the template. They are also concerned that the bill could result in additional capital improvement planning, which could create additional costs for local agencies that would then be likely result in higher fees for development proponents. The measure was approved by the Senate Appropriations Committee (7-0) and is currently awaiting consideration on the Senate Floor.

#### Legislative Priority 4 – Professional Services

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

This session legislation has been introduced by Assembly Member Gallagher, AB 577, which would establish a \$50,000 threshold amount for county drainage districts, levee districts, and reclamation districts for the requirement to award to the lowest bidder. AB 577 was referred to the Assembly Local Government Committee for consideration, but was not set for hearing by the committee, and as such, the measure is now a two-year bill.

#### Legislative Priority 5 – Parcel Tax

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

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

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

ACA 1 has been referred to the Assembly Local Government Committee, which is chaired by the bill’s author, Assembly Member Aguiar-Curry. Since constitutional amendments are not subject to the same legislative timelines as regular bills, so the measure may still be considered by the Assembly Local Government Committee despite being past the deadline for policy committees to consider bills in their House of Origin. Last session, ACA 1 was approved by the committee on a 5-2 vote.



## Legislative Priority 6 – Proposition 218

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

Every few years, efforts have failed to modify the State Constitution to reduce the vote threshold for parcel tax measures to 55%. That included an effort earlier in the 2019-20 legislative session, ACA 1 (Aguar-Curry). While that measure was unsuccessful, the Legislature was able to approve a measure, ACA 11 (Mullin), for the November ballot, which appear on the ballot as Proposition 19. Proposition 19 was approved at the November 2020 General Election and allows homeowners who are over 55, disabled, or victims of wildfire or natural disaster to transfer their primary residence's property tax base value to a replacement residence of any value, anywhere in the state. An individual could use these rules up to three times in their lifetime. The measure would also limit the ability of new homeowners who inherit properties to keep their parents' or grandparents' low property tax payments. The measure would allocate most resulting state revenue to fire protection services and reimbursement to local governments for taxation-related changes.

SB 539 (Hertzberg) has been introduced this year to assist with the implementation of Proposition 19. SB 539, which is co-sponsored by the California Professional Firefighters and the California Association of Realtors, provides many of the needed details and clarifications of how the provisions of Proposition 19 are to be carried out. The bill makes a number of changes including providing the statutory detail for taxpayers to claim base year value transfers under Prop 19, as well as implements the propositions limitations on parent-child/grandparent-grandchild change in ownership exclusions. The provisions that are contained within SB 539 will ensure that the Board of Equalization (BOE) and local assessors have the guidance, needed to implement Proposition 19 uniformly across the state. SB 539 has successfully moved out of the Senate and has also moved through the Assembly policy committee. The bill was recently approved by the Assembly Appropriations Committee (16-0) and is currently awaiting consideration on the Assembly Floor. To date, SB 539 has not received any no votes, though the measure is opposed the California Association of County Treasurers and Tax Collectors.

## Legislative Priority 7 – Building a Coalition

TPA continues to work with the California Special Districts Association in efforts to further strengthen the relationship between CSDA and the District, as well as to ensure alignment on issues of importance to fire districts. To that end, CSDA has included the District on their "Secondary List" for the CSDA Legislative Committee. This list provides the District with access to all of the materials that are prepared for the CSDA Legislative Committee and will also allow the District to participate in the Legislative Committee meetings as a non-voting participant. Additionally, CSDA has encouraged the District to consider applying for a full voting position on the CSDA Legislative Committee for 2022. TPA has worked with CSDA and the District to complete the CSDA process for applying for a position on the Legislative Committee. CSDA staff will be making recommendations for membership on the Legislative Committee in October, which will then need to be approved by the CSDA Board in November.



In addition to participation in the CSDA Legislative Committee, TPA and ECCFPD staff have been working closely with CSDA to generate support for the inclusion of funding, within the state budget, to reimburse special districts for costs incurred in response to the COVID-19 pandemic. These efforts have included working with CSDA to directly advocate for funding with the District's representatives, generating support for funding from Contra Costa County, as well as cities within the County, and publishing an op-ed outlining the important role that special districts have in their communities and the need to direct coronavirus response funding to special districts. These efforts, along with the efforts of other stakeholders, resulted in the Legislature including \$100 million in their proposed budget to reimburse independent special districts for costs incurred in response to COVID-19. TPA is in the process of coordinating with CSDA, the Department of Finance, and other stakeholders, to determine the method for distributing the budget funding. The Department of Finance has indicated that they are not going to be ready to accept applications by the September 1<sup>st</sup> deadline included in the State Budget, but feel they should be able to roll out applications before the month is over.

