CSAC EXECUTIVE COMMITTEE

BRIEFING MATERIALS

Thursday, August 6, 2020

10:00 a.m - 12:30 p.m






Zoom Meeting:

Zoom: https://us02web.zoom.us/j/89266792833?pwd=Z2dJeDB2dlJPMFk1dlJidEhRYUdvUT09

Phone: (669) 900-6833

Meeting ID: 892 6679 2833 | Passcode: 044611

California State Association of Counties

UPDATED

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE MEETING
Thursday, August 6, 2020 | 10:00 AM – 12:30 PM
Zoom: https://us02web.zoom.us/j/89266792833?pwd=Z2dJeDB2dlJPMFk1dlJidEhRYUdvUT09
Conference Line: (669) 900-6833
Meeting ID: 892 6679 2833 | Password: 044611

AGENDA

Presiding: Lisa Bartlett, President

PROCEDURAL ITEMS

1. Pledge of Allegiance — *Page 1*
2. Roll Call — *Page 2*
3. Approval of Minutes from April 16, 2020 — *Page 3-10*

SPECIAL ITEMS

4. COVID-19 Pandemic Crisis Update/Discussion

ACTION ITEMS

5. CSAC Annual Meeting Recommendations — *Page 11-13*
   - *Manuel Rivas, Jr. | Deputy Executive Director, Operations & Member Services*
   - *David Liebler | Director, Public Affairs & Member Services*
   - *Porsche Green | Meeting Planner*
6. Ballot Initiatives — *Page 14-16*
   - Proposition 15 - Increases funding for public schools, community colleges, and local government services by changing tax assessment of commercial and industrial property ***(rec: no position)***
   - Proposition 16 - ACA 5 (Resolution Chapter 23), Weber. Government preferences ***(rec: support)*** — *Page 17-18*
   - Proposition 17 - ACA 6 (Resolution Chapter 24), McCarty. Elections: disqualification of electors ***(rec: support)*** — *Page 19-21*
   - Proposition 18 - ACA 4 (Resolution Chapter 30), Mullin. Elections: voting age ***(rec: support)*** — *Page 22-23*
   - Proposition 19 - ACA 11 (Resolution Chapter 31), Mullin. The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act ***(rec: oppose)*** — *Page 24-30*
   - Proposition 20 - Restricts parole for non-violent offenders, authorizes felony sentences for certain offenses currently treated only as misdemeanors ***(rec: no position)*** — *Page 31-35*
   - Proposition 25 - Referendum to overturn a 2018 law that replaced money bail system with a system based on public safety risk ***(rec: no position)*** — *Page 36-39*

INFORMATIONAL ITEMS

7. CSAC Legislative Update
   - *Darby Kernan | Deputy Executive Director, Legislative Services*
8. CSAC Finance Corporation Report — *Page 40-51*
   - *Supervisor Leonard Moty | FC President*
   - *Alan Fernandes | FC Executive Vice President*

9. Communications Report *Page 52-55*
   - *Manuel Rivas, Jr. | Deputy Executive Director, Operations & Member Services*
   - *David Liebler| Director, Public Affairs & Member Services*

10. California Counties Foundation Report *Page 56-61*
   - *Manuel Rivas, Jr. | Deputy Executive Director, Operations & Member Services*
   - *Chastity Benson | Foundation Operations Manager*

11. Information Items without Presentation *Page 62-65*
   - CSAC Litigation Coordination Report *Page 66-67*
   - CSAC 2020 Calendar of Events (Revised)

12. Public Comment

ADJOURN

**If requested, this agenda will be made available in appropriate alternative formats to persons with a disability. Please contact Korina Jones at kjones@counties.org or (916) 327-7500 if you require modification or accommodation in order to participate in the meeting.*

BY VIRTUAL TELECONFERENCE ONLY

Pursuant to the provisions of California Governor's Executive Order N-29-20, issued on March 17, 2020, this meeting will be held as a virtual meeting only. Members of the public may access the meeting using the Zoom access link above. Public comments may be made using the "raise hand" function on Zoom, or may be submitted in writing electronically before or during the meeting on any matter on the agenda or any matter with the Executive Committee's subject matter jurisdiction, regardless of whether it is on the agenda for Executive Committee consideration or action, by sending an email to: kjones@counties.org.

United States of America

Pledge of Allegiance

California State Association of Counties®

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
2020

PRESIDENT:	Lisa Bartlett,	Orange County
1ST VICE PRESIDENT:	James Gore,	Sonoma County
2ND VICE PRESIDENT:	Ed Valenzuela,	Siskiyou County
IMMEDIATE PAST PRESIDENT:	Virginia Bass,	Humboldt County

URBAN CAUCUS

Keith Carson, Alameda County
Greg Cox, San Diego County
Carole Groom, San Mateo County
Kelly Long, Ventura County
Mark Ridley-Thomas, Los Angeles
Chuck Washington, Riverside County
Bob Elliott, San Joaquin County (alternate)

SUBURBAN CAUCUS

Luis Alejo, Monterey County
Erin Hannigan, Solano County
Leonard Moty, Shasta County
Diane Dillon, Napa County (alternate)

RURAL CAUCUS

Craig Pedersen, Kings County
Terry Woodrow, Alpine County
Jeff Griffiths, Inyo County (alternate)

EX OFFICIO MEMBER

Ed Scofield, Nevada County, Treasurer

ADVISORS

Bruce Goldstein, County Counsels Association, Past President, Sonoma County
Carmel Angelo, Mendocino County CEO, California Association of County Executives, President

CALIFORNIA STATE ASSOCIATION OF COUNTIES
EXECUTIVE COMMITTEE
April 16, 2020
Zoom: https://us04web.zoom.us/j/156934116?pwd=dXlOdUZDTFd6Y2FFb3VmTkJVM3prUT09
Conference Line: (669) 900-6833
Meeting ID: 156 934 116 | Password: 022661

MINUTES

1. Roll Call

OFFICERS
Lisa Bartlett | *President*
James Gore | *1st Vice President*
Ed Valenzuela | *2nd Vice President*
Virginia Bass | *Immediate Past President*

CSAC STAFF
Graham Knaus | *Executive Director*
Manuel Rivas, Jr. | *Deputy Executive Director, Operations & Member Services*
Darby Kernan | *Deputy Executive Director, Legislative Services*

ADVISORS
Bruce Goldstein | *County Counsels Association, Sonoma County*
Carmel Angelo | *Mendocino County CEO, California Association of County Executives, President*

SUPERVISORS
Keith Carson | *Alameda County*
Greg Cox | *San Diego County*
Carole Groom | *San Mateo County*
Kelly Long | *Ventura County*
Mark Ridley-Thomas | *Los Angeles County (absent)*
Chuck Washington | *Riverside County*
Bob Elliott | *San Joaquin County (absent)*
Luis Alejo | *Monterey County*
Erin Hannigan | *Solano County*
Leonard Moty | *Shasta County*
Diane Dillon | *Napa County*
Craig Pedersen | *Kings County*
Terry Woodrow | *Alpine County*
Jeff Griffiths | *Inyo County*

EX OFFICIO MEMBER
Ed Scofield | *Treasurer, Nevada County*

2. Approval of Minutes from January 16, 2020

Supervisor Chuck Washington from Riverside County requested that we remove the sales tax reference from our meeting notes as it was under consideration by the County Transportation Commission, not by Riverside County.

A motion to approve the meeting minutes as modified was made by Supervisor Washington; second by Supervisor Hannigan. Motion carried unanimously.

3. COVID-19 Pandemic Crisis Update/Discussion

Graham Knaus addressed the Executive Committee to provide an update on CSAC's work surrounding the COVID-19 pandemic. All priorities have changed as a result of COVID-19 and we have been working with the Officers to outline a new approach. The Governor has issued nearly 50 Executive Orders and CSAC has been sending nightly updates to all Supervisors, CAO's and lobbyists in the state. CSAC continues to work on advocacy at both the state and federal level. The Officers recently met with the Governor to discuss property tax deadlines, homelessness and what's needed to continue operations at the local level. CSAC now has weekly meetings with the Governor's office.

Joe Krahn of Paragon Government Relations provided a federal update to the Executive Committee. He reported that Congress is doing twice a week pro forma sessions, which means everything must move by unanimous consent. There have been three rounds of federal assistance for states and local governments and there might be a 4th phase infrastructure packet. Tom Joseph discussed an increase in SNAP benefits, Federal Medicaid, Foster Care FMAP and hospital funding. Hasan Sarsour discussed the leave provisions included in the 2nd Coronavirus package and a provision that allows for a refundable tax credit that's only available to the private sector. He noted that there is bipartisan support to push back on this exclusion and they hope it can be addressed in the next package that's released.

Sara Floor, CSAC's Communications Manager, presented on CSAC communications during the COVID-19 pandemic. Ms. Floor explained that the overriding goals of CSAC's communication strategy have not changed; they remain to position counties as front line service providers, tell the county story and support federal and state advocacy efforts. Media interest has been up over 600% over the past three weeks. The communications team has been busy compiling resources on the COVID-19 response. They have developed a page on the CSAC website that compiles state and federal resources and contains over 200 links. They have also developed an interactive map that links to county public health and shelter in place orders. There were 40,000 visits to that resource page in its first week alone.

Josh Gauger, Legislative Representative for Administration of Justice, presented on three pandemic related issues they have been working on 1) new judicial council rule on zero dollar bail 2) travel trailers 3) hotel/motel leases. Mr. Gauger highlighted one of the key differences between zero dollar bail and no bail is that zero dollar bail includes conditions. With regards to travel trailers, the 1300 available trailers were originally to be distributed to counties that had a big 13 city within it, then counties were to coordinate with cities on placement and services. The state has begun working on trailer requests outside of this initial group. He noted that counties are making good progress on the difficult and challenging implementation of hotel/motel leases.

Chris Lee, Legislative Representative for Housing, Land Use and Transportation, addressed the Executive Committee. They have been in communication with planning directors looking for opportunities for regulatory relief. On the public works side, they have weekly calls where they share best practices counties with about 30 counties participating. The major issue for transportation is the expected drop in gas tax revenue. They are expecting about a 40% reduction in fuel tax revenue and are working at how to mitigate that loss. They are lining up asks for when infrastructure is on the table at the federal level. Currently, almost all tribal casinos, with only a couple exceptions, are closed.

Justin Garrett, Legislative Representative for Human Services, presented to the Executive Committee on the COVID-19 response. They are currently focusing on two main areas: 1) changes to in-person requirements, specifically removing face to face application and signature requirements and 2) securing new funding for the increased workload and service requirements put on counties during this time. They are also working on securing additional funding for child care for essential workers.

Farrah McDaid-Ting, Legislative Representative for Health and Human Services, addressed the Executive Committee and shared several key items they have been working on. The first is the CalAIM Proposal. DHCS is postponing CalAIM implementation to allow counties to focus on and use their limited resources to address COVID-19. That means that California needs an extension on two important federal waivers, the section 1115 Medicaid waiver and the section 1915(b) Specialty Mental Health Services waiver, both that were set to expire this year. Another focus is on the declining revenue for county-run mental health services programs. This decline is largely a result of

people not attending in-person appointments as many programs don't draw down federal funding unless they are billing for visits. Another big issue in public health is when to re-open. The Governor has issued a statewide stay at home order, but may counties have local health officer orders that are more strict. CSAC wants to work closely with the administration to avoid confusion between local, state and federal orders.

Geoff Neill, Legislative Representative for Government, Finance and Administration, presented to the Executive Committee on several key items: property taxes, sales taxes and the November elections. CSAC worked closely with the Governor to ensure that the April 10th property tax deadline was not extended. Counties participating in the Teeter Plan are also concerned that they will not be repaid for loans if property tax collections come in lower than usual. CSAC is working with the administration and other stakeholders to ensure that counties can successfully navigate these challenges without experiencing cash flow issues. With regards to sales tax, there has been a considerable decline in sales tax revenue. The Governor extended the filing deadline from April to July and announced a layaway plan for small business to defer sales tax payments. These extensions delay funding for counties and cause uncertainty as counties enter their budgeting process. Mr. Neill also referenced a letter from the California Association of Clerks and Election Officials that was sent to the Governor's office earlier this week. The letter asked for the November election to be held mostly by mail with considerable local flexibility and requested upfront funding to help finance this effort.

Napa County Supervisor Diane Dillon shared the following AEI report by Dr. Gottlieb:
https://www.aei.org/research-products/report/national-coronavirus-response-a-road-map-to-reopening/

Sonoma County Supervisor James Gore shared the following chart: When and How to Open After COVID-19: https://preventepidemics.org/wpcontent/uploads/2020/04/COV020_WhenHowLoosenFaucet_v4.pdf

4. County Fiscal Stability and Budget Needs

Graham Knaus presented CSAC's County Fiscal Stability and Budget needs letter to the Executive Committee. This letter highlights several concerns for state budget related advocacy: 1) Realignment Revenue 2) Backfill sales tax lay-away program 3) Executive Order on property tax delinquencies 4) Opt out of Teeter Plan and 5) Cash flow assistance (letter attached).

5. Consideration of Updated 2019-2020 Board of Directors Nominations

The CSAC Constitution indicates that each county board shall nominate one or more directors to serve on the CSAC Board of Directors to serve a one-year term commencing with the Annual Meeting. The CSAC Executive Committee appoints one director for each member county from the nominations received. For counties that did not submit nominations prior to the Annual Meeting, the appointed supervisor from the preceding year will continue to serve until such county board nominates, and the Executive Committee appoints, a supervisor to serve in the CSAC Board.

On December 4, 2019, and January 16th, 2020, the Executive Committee approved the nominations for the 2019-2020 CSAC Board of Directors. We received additional nominations from 7 counties that require the Executive Committee approval: Madera, San Benito, San Bernardino, San Luis Obispo, Santa Barbara, Sierra and Sutter.

A motion to approve the Updated 2019-2020 Board of Directors Nominations was made by Supervisor Long; second by Supervisor Washington. Motion carried unanimously.

6. Consideration of the CSAC 2022 Annual Meeting

Manuel Rivas, Jr. Deputy Executive Director of Operations and Member Services, addressed the Executive Committee and presented CSAC's recommendation for the 2022 Annual Meeting site. The site selection process for the 2022 Annual Meeting included RFPs from various venues in Southern California counties, including Los Angeles, Orange, Riverside, San Bernardino, Santa Barbara, San Diego and Ventura. Proposals from venues in the following counties met our site selection policy: Orange, Riverside and San Bernardino.

Based on our parameters and our previous experience with this venue, CSAC recommends approval of the 2022 CSAC Annual Meeting to be held in at the Disneyland Hotel in Orange County. The other counties that submitted proposals that did not meet established criteria were not selected.

A motion to approve the location of the CSAC Annual Meeting was made by Supervisor Griffiths; second by Supervisor Valenzuela. Motion carried unanimously.

7. Consideration of the CSAC Budget for FY 2020-21

Supervisor Ed Scofield, CSAC Treasurer, presented CSAC's FY 2020-21 Budget to the Executive Committee. Supervisor Scofield expressed that the budget is solid, especially considering the current COVID-19 crisis. The FY 2020-21 budget aligns expenditures with projected revenues and allows CSAC to continue protecting and advocating for all 58 counties. As a result of major policy changes implemented over the last few years, CSAC has strengthened accounting controls, built up operational reserves and created a capital improvement fund through steady annual contributions. Supervisor Scofield highlighted that this budget does not increase membership dues for the 7th consecutive year. This budget also contributes $250,000 to the Capital Improvement Fund, establishes an appropriation of 5% of revenues and contributes $496,000 as a contingency margin to help address potential impacts from an economic recession or unforeseen emergency. Supervisor Scofield also noted that CSAC is presenting the salary schedule for approval, with minor changes. CALPERS requires approval of the salary schedule as CSAC participates in the San Bernardino Retirement System.

A motion to approve CSAC Budget for FY 2020-21 was made by Supervisor Cox; second by Supervisor Long. Motion carried unanimously.

8. Consideration of County Priorities for MHSA Modernization

President Bartlett, Chair of the MHSA Working Group, addressed the Executive Committee and explained the need for modernization of the MHSA to allow for more flexibility.

Farrah McDaid-Ting, Legislative Representative for Health and Human Services, explained that the MHSA working group was formed out of a vote from the CSAC Board of Directors last December. The group consists of County Supervisors, Behavioral Health Directors and County Administrators. The MHSA document included in our meeting packet outlines seven strategies the MHSA Working Group would like to pursue to modify the MHSA to make it work betters for counties and allow more flexibility. The goal is to gain MHSA flexibility through the legislation and not via a statewide ballot.

A motion to approve the County Priorities for MHSA Modernization was made by Supervisor Bartlett; second by Supervisor Valenzuela. Motion carried unanimously.

9. CSAC Finance Corporation Report

Supervisor Leonard Moty, President of the CSAC Finance Corporation (CSAC FC) addressed the Executive Committee. He presented that the Finance Corporation canceled their April Conference due to the COVID-19 pandemic. Instead they held a teleconference meeting where the board approved the FY 2020-21 budget. He believes the budget is stable and consistent with what they think they can provide to CSAC, but they do anticipate possible issues as the COVID-19 crisis moves forward. They have slightly reduced the corporate associates program contribution, assuming businesses may be affected by pandemic and may not be able to fully participate. They plan to have a budget review at their September conference to see if any adjustments need to be made.

Smart Easy Pay continues to do well. Supervisor Moty highlighted that this program has been beneficial for Kings County since their offices have been shut down. They are finalizing NACo participation in this program; NACo is purchasing 10% of the equity making them a partner.

10. CSAC Legislative Update, State & Federal Priorities

Darby Kernan, CSAC Deputy Executive Director of Legislative Affairs, discussed the upcoming hearings by the Senate and Assembly. Ms. Kernan will be testifying at today's Senate Budget Committee hearing on behalf of CSAC about the overall response to COVID-19. Her testimony will focus on the fact that counties are on the front lines responding to this crisis. Counties are spending money at a rapid rate to make sure people are getting the services they need. We're trying to keep the legislature and the administration focused that counties are the service providers.

11. Executive Committee Roundtable

Supervisor Luis Alejo / Monterey County – Supervisor Alejo expressed gratitude for the Governor's $75 million dollar relief fund for undocumented workers during the COVID-19 crisis. He also thanked CSAC for providing a forum for Supervisors to raise their concerns.

Supervisor Erin Hannigan / Solano County – Supervisor Hannigan thanked CSAC for being a resource and her fellow Supervisors for sharing best practices.

Supervisor Leonard Moty / Shasta County – Supervisor Moty explained that there is frustration from rural counties because they want to open sooner than the state is allowing.

Supervisor Terry Woodrow / Alpine County – Supervisor Woodrow expressed concern over the numerous groups coming into Alpine County to recreate. Alpine County is one of three counties requesting postponement of opening day of trout season. They only have one positive COVID-19 case.

Supervisor Jeff Griffiths / Inyo County – Supervisor Griffiths said his community is concerned with large groups of people coming into the county to recreate. They have small hospital and 17 positive cases. While their county loves visitors, he emphasized that now is not the time to recreate there.

Supervisor Ed Scofield / Nevada County – Supervisor Scofield has been dealing with golf courses, which have become quite controversial. He agrees that a reopening plan will be essential. Nevada County started a community fund and allocated $100,000 to help support non-profits and small businesses.

Supervisor Craig Pedersen / Kings County – Kings County currently has 13 COVID-19 cases, 1 death and 2 hospitalizations. Supervisor Pedersen believes it will be difficult to set a number across the state for all counties to follow.

Supervisor Virginia Bass / Humboldt County – Supervisor Bass thanked CSAC staff for their hard work. Humboldt County went from one positive COVID-19 case to forty-three due to a travel group that came back from Mexico. 91% of Humboldt County properties paid their property taxes on time but that only represents 78% of the dollars they need to collect.

Supervisor Ed Valenzuela / Siskiyou County – Supervisor Valenzuela thanked CSAC staff for creating a great budget for FY 2020-21. Siskiyou County is experiencing a large influx of travelers and they hope they can accommodate them. They currently have only five COVID-19 cases.

Supervisor James Gore / Sonoma County – Sonoma County is struggling with the transition from modeling to actual data. Like other counties, they are competing with non-profits and the private sector to get testing supplies and PPE.

Supervisor Lisa Bartlett / Orange County – Supervisor Bartlett expressed that our response to COVID-19 needs to be data driven. Orange County is working on getting one of the three FDA approved antibody tests.

12. Closed Session

The Executive Committee unanimously affirmed Graham Knaus' appointment to the Smart Easy Pay Board of Directors.

Meeting was adjourned. The next Executive Committee meeting will be held on August 6, 2020.

April 16, 2020 Update

To: Executive Committee

From: Lisa Bartlett, CSAC President and Orange County Supervisor
Graham Knaus, CSAC Executive Director
Darby Kernan, CSAC Deputy Executive Director for Legislative Services

RE: County Fiscal Stability and Budget Needs

California counties have been at the front line of fighting the COVID-19 public health crisis, working tirelessly to insure California successfully bends the curve and reduces the number of positive cases in California. As we enter the second full month of this pandemic, the revenues counties need to carry on normal operations, much less respond to this unprecedented worldwide crisis, have begun to erode. As counties manage their current year and FY 2020-21 budgets, they are beset by reduced resources, an ongoing crisis, and significant uncertainty. Counties are facing the specter of massive labor curtailments and layoffs, as well as service reductions, in the immediate-term future, in some cases to the very departments that are most needed to respond to COVID-19.

Like the state, counties are grappling with pressures of reduced revenues and increased costs while experiencing and unprecedented caseload surge in safety net programs. Revenues have declined both by the faltering economy and the measures taken to assist the private sector in weathering this period of physical distancing. CSAC is strongly advocating the Governor and Legislature to ease the strain by taking certain specific actions and to keep county needs top-of-mind as the state continues exploring ways to lead California through this crisis. CSAC along with counties have also fully engaged California's congressional delegation to advocate for more federal funding to support state and local governments during this pandemic, including for lost revenue.

The following are the primary areas of concern for State Budget related advocacy, reflecting counties' most critical and urgent needs at this time, as we continue our local efforts in the collective fight against COVID-19:

- **Realignment revenue:** Counties are very concerned about the significant estimated decline in revenues dedicated to 1991 and 2011 realignments, and Proposition 172, and the effect those declines will have on the public health, human services, behavioral health, and public safety programs they fund. We would like to explore ways the state and counties might work together to provide stability for these funds to avoid massive cuts to the programs most needed during this pandemic, and the resulting economic downturn.

CSAC will work with the Administration and Legislature to craft solutions to maximize county fiscal stability while maintaining the state's safety net system at such a critical time in our communities. Solutions may include direct state assistance, securitization or a bridge loan repaid out of future revenue, or other creative solutions. However, this need is immediate, as counties, like the state, are on the cusp of their budget hearings.

- **Backfill sales tax lay-away program:** We are requesting that counties receive adequate funding to backfill revenue delays caused by the sales tax lay-away program. A portion of the sales tax directly funds critical state services under the 1991 and 2011 realignment structures, including public health, behavioral health, human services, and public safety programs. Further, moving revenue into the next fiscal year will have dramatic impacts on county allocations and programs that could complicate future service delivery.

- **Executive Order on property tax delinquencies:** Allow counties to take a property owner's economic hardship into account when determining whether the county may cancel property tax delinquency penalties and other charges. There is significant uncertainty among county officials as to whether they are allowed to take economic hardship into account, given past court rulings. We are advocating for explicit authority that would enable all counties to respond while expediting the benefit to property owners.

- **Opt out of Teeter Plan:** Property tax penalty relief authority should be coupled with temporary permission for counties that participate in the Teeter plan to opt out of the plan mid-year. The combination of fewer-than-usual on-time property tax payments with a significant increase in canceled delinquency charges could have unmanageable short-term fiscal impacts for counties, without the long-term benefit the Teeter Plan is predicated on. We are pursuing authority for counties to opt out of the plan; this would allow the short-term impact to be shared at a manageable level among taxing entities.

- **Cash flow assistance:** We are also seeking an immediate need to partner with the state to assist counties with urgent cash flow issues so that all counties can continue operating. A state-county partnership to help manage cash flow issues will likely involve state assistance to consolidate local applications for the Federal Reserve's recently announced Municipal Liquidity Facility. We are moving forward to engage in dialogue about additional short-term local needs as the state and counties continue our pandemic response.

While the list above is not exhaustive, these are critical areas for CSAC advocacy to the state. We realize that the state's ability to assist is not infinite, but the pandemic reinforces the need for the state and the counties to join together to weather this unprecedented time while continuing to serve the people of California.

August 6, 2020

TO: CSAC Executive Committee

FROM: Manuel Rivas, Jr., Deputy Executive Director of Operations & Member Services
David Liebler, Director of Public Affairs & Member Services
Porsché Green, Meeting Planner

SUBJECT: 2020 CSAC Annual Meeting Update & Recommended Changes to Timing and Format

This memorandum is to request approval of the CSAC staff recommendation to reschedule 2020 Annual Meeting events to the weeks prior to the Thanksgiving holiday and to change all meetings and conference-related events to a virtual format in order to ensure the safety and well-being of all participants from the COVID-19 Pandemic.

Background - In a typical year, CSAC staff would be well into planning and preparations for the Annual Meeting, which this year is scheduled to be held in Los Angeles County during the first week of December. Registration would open in August and the lineup of speakers and workshops would be in the works. Unfortunately, the COVID-19 Pandemic has drastically changed the lives of all residents in California, and the rest of the nation, creating a series of major challenges – the largest being the uncertain future on where State will be on its reopening in the fall.

Under current State and local orders, a conference the size of the CSAC Annual Meeting could not take place. The venue under contract would not be able to accommodate the necessary social distancing guidelines required for CSAC's customary attendance and events. With setbacks due to increasing numbers of confirmed cases, it appears increasingly unlikely that Los Angeles County will be in a position to allow a conference of our size in four months. At this point, there are still more questions than answers, making it extremely challenging – and likely very costly -- to move forward with planning an in-person conference.

Member Survey - In June, CSAC staff distributed a survey to membership asking opinions on a number of issues relating to attending a CSAC conference in Los Angeles County later this year. The survey received 219 responses, including 64 county supervisors and 30 county administrators. Key results of the survey are on the attached document. A couple of responses stand out: 53 percent said they would be willing to attend the conference in Los Angeles County, but only 36 percent were comfortable traveling to the site. And while attending an in-person conference is preferred, the majority of respondents said they would participate in an abbreviated virtual meeting.

Moving Forward - Even if CSAC is able to carry out its traditional in-person conference, the survey results raise significant concerns on whether enough participants would attend to enable CSAC to meeting its contractual hotel and meeting facility obligations. A significant drop-off in attendance could leave the Association liable for $250,000 or more unless the contract is canceled in advance. We have been in close

communication with legal counsel and believe that given the current status of the COVID-19 Pandemic that CSAC would be able cancel our contractual obligations with minimal or no penalties.

Staff has been planning for the inevitability of not being able to hold a conference in-person. We have been in communications with various other associations, including NACo, the League of California Cities, and the California Special Districts Association, among others, and they have either moved to a virtual format or canceled their conference altogether.

Staff has also been actively exploring options to host a virtual conference that would cover essential business associated with our Annual Meeting, including Board of Directors, Caucus and Policy Committee meetings, educational webinars, as well as the election and swearing in of our 2020-21 officer slate.

In order to plan and carry-out a successful and productive virtual Annual Meeting, we would also recommend moving the date of the conference to better accommodate ongoing wishes among our membership. We would like to hold all meetings associated with a virtual conference over a two-week period leading up to Thanksgiving week.

Recommendation: Approve CSAC staff recommendation to reschedule 2020 Annual Meeting events to the weeks prior to the Thanksgiving holiday and change all meetings and conference-related events to virtual format to ensure the safety and wellbeing of all participants from the COVID-19 Pandemic.

Staff Contacts:

- David Liebler, Director of Public Affairs & Member Services: dliebler@counties.org
- Porsché Green, Meeting Planner: pgreen@counties.org

Member Survey: In-Person Conferences

Survey Period June 18 – June 29, 2020

Would attend Annual Meeting in LA County

RESPONDENTS

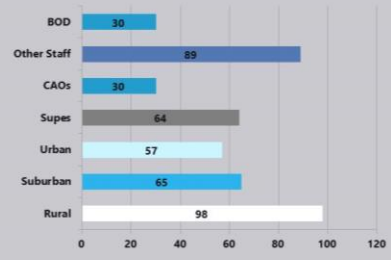
219

FULL DAY vs. MODIFIED Virtual Schedule

76.28% of respondents preferred a modified schedule for virtual format

% ANTICIPATE TRAVEL RESTRICTIONS

Respondent Overview



LEVELS OF COMFORT

61.75% Okay with Lodging at Hotel

15.97% Not Okay with Lodging

BOARD MEMBER RESPONDENTS

30

SUPERVISOR RESPONDENTS

64

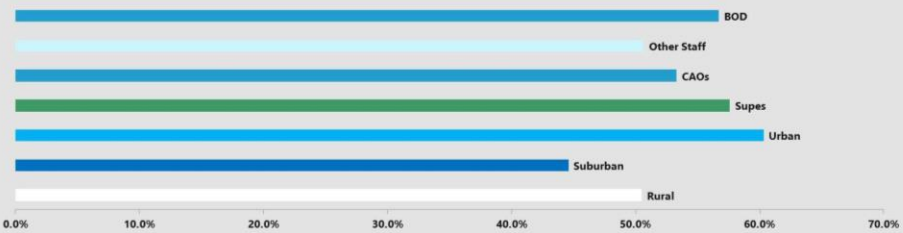
CAO RESPONDENTS

30

OTHER STAFF RESPONDENTS

89

% THAT WOULD ATTEND ANNUAL MEETING IN LA COUNTY

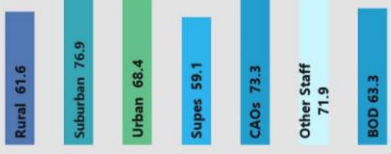


TRAVEL COMFORT

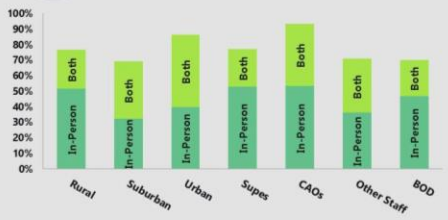
35.61% are not okay with traveling

36.07% are okay with traveling

Percentage Willing to Pay for Virtual Conference



PREFER IN-PERSON CONFERENCE vs. VIRTUAL or BOTH



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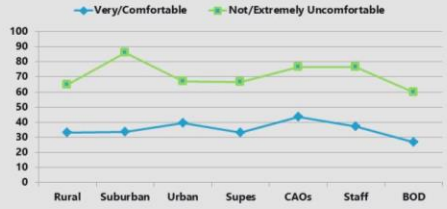

July 24, 2020

To: CSAC Executive Committee

From: Geoff Neill, CSAC Legislative Representative
Ada Waelder, CSAC Legislative Analyst

Re: Proposition 15 – Schools & Communities First – ACTION ITEM

Recommendation
The Government Finance and Administration policy committee recommends that CSAC take no position on the measure.

Summary
Proposition 15, the Schools & Communities First Act, would tax most commercial and industrial property based on its fair market value, beginning in 2022-23. Because the measure would tax commercial and industrial property differently than residential and agricultural property, it's also known as "split roll." The measure is estimated to increase tax revenue from these properties by between $8 billion and $12 billion per year statewide.

The increased property tax revenue would be distributed to counties, schools, cities, and special districts, in essentially the same proportion as under current law. Before that, however, the increased revenue is required to cover costs incurred by counties to administer the program, as well as any losses to the state General Fund resulting from decreased corporate and personal income taxes.

Background
Current Law
Article XIII of the California Constitution, originally enacted by Proposition 13 (1978), does not distinguish commercial and industrial property from residential and agricultural property. It caps the ad valorem tax rate for all property at 1 percent and limits increases to the assessed value. Each year, the property's assessed value can increase by no more than 2 percent or the rate of inflation, whichever is lower. Property is only reassessed when there is a change in ownership or new construction, at which point it is reassessed at fair market value.

Statewide, about 46 percent of property tax revenue is allocated to local agencies: counties (14 percent), cities (13 percent), and special districts (19 percent). While the remaining 54 percent is allocated to schools and community colleges, although the allocation varies considerably among counties.

Changes under Ballot Initiative
This proposal seeks to tax most commercial and industrial real property, including some vacant land, based on current fair-market value, eliminating the limitation on increasing assessed value by no more than 2 percent per year for those properties. The measure would not apply to residential property, property owned or occupied by small businesses with a market value of less than $3 million, or farmland (though it would apply to a farm's buildings, such as processing and refrigeration facilities).

The $3 million threshold for small businesses will be adjusted for inflation every two years by the State Board of Equalization (BOE) beginning in 2025. The BOE will be tasked with calculating the inflation adjustment on a county by county basis, taking in to consideration the average market values of each.

The first $500,000 of a business's personal property (e.g., machinery, computers, and office equipment) will be exempt from taxation, and businesses with fewer than 50 employees will be exempt from taxation on all personal property. Aircraft and vessels are not included in the personal property exemptions.

Proposition 15 would require the Legislature to establish a Task Force on Property Tax Administration, made up of a county assessor, a member of the BOE, a proponent of Proposition 15, a taxpayer representative, and a member of the Legislature. The Task Force is instructed to make recommendations to the Legislature on certain aspects of implementing which the measure leaves to the Legislature to decide.

The measure's shift to market value assessment would be phased in over three fiscal years, beginning in 2022-23. After the initial reassessment, applicable commercial and industrial real property will be regularly reassessed at intervals determined by the Legislature, but no less frequently than every three years. There is an exception to this timeline for property where a majority of square footage is occupied by small businesses with 50 or fewer employees. These properties would not shift to market value taxation until 2025-26, unless a different date is set by the Legislature.

Before allocating funds raised by this measure to local governments and schools, the proposal requires a portion of the new revenues be allocated to 1) the state General Fund to compensate for any reductions in personal income and corporate tax revenue resulting from the measure, and 2) counties to cover their costs of administering the changes. Which county costs are eligible for reimbursement will be determined by the Legislature. However, the measure does state that "such costs shall at a minimum include the costs of assessment, assessment appeals, legal counsel, tax allocation and distribution, and auditing and enforcement" and that the intent is to "provide full adequate funding to counties to cover all costs associated with implementation of the Act."

Assessment Appeals
Proposition 15 also directs the Legislature to work with county assessors to develop a process for hearing appeals resulting from the required reassessments. The measure outlines several requirements for this process. Most notably, the appeals process would not automatically accept an applicant's opinion of value on the property. Under current law, County Boards of Equalization and Assessment Appeals Boards are required to render their decision on an appeal within two years. If they do not, the new value of the property will default to whatever the applicant's opinion of value is, even if that value is unrealistically or artificially low. In addition, Proposition 15 would require the applicant to shoulder the burden of proof that their property was not properly valued, as opposed to the assessor.

Fiscal Impact
Statewide, the Legislative Analyst's Office estimates that this measure would increase annual property tax revenue by $8 billion to $12.5 billion in most years. The amount of revenue will fluctuate year to year based on the state of real estate markets at the time.

The California Assessors' Association (CAA) estimates that the cost to implement the measure would be slightly more than $1 billion during the first three years. They also estimate an approximate 12-fold increase in the number of commercial and industrial properties that counties would have to reassess annually.

Impact on Small Counties
A survey by the CAA found that many small to mid-size counties have very few commercial or industrial properties with a value greater than the $3 million threshold. Those counties are likely to receive little, if any, increased revenue from reassessments. Meanwhile, businesses in these counties would still receive the tax exemptions for personal property, and would eliminate, or significantly reduce, their property tax obligation on equipment and machinery. Without increased revenue from high value reassessments to offset these exemptions, property tax revenue is likely to decline in these counties.

Policy Considerations
Existing CSAC Policy
The California County Platform, CSAC's adopted statement of the basic policies of concern and interest to California's counties, say the following:

> *In order to meet each community's unique needs, counties must be given greater financial independence from the state and federal budget processes, including the authority to collect revenues at a level sufficient to provide the degree of local services the community desires. Counties will seek a level of financial independence that provides for the conduct of governmental programs and services, especially discretionary programs and services, at an adequate level.. counties advocate for aligning revenue authority with service responsibility, and also support other measures that grant counties financial independence.* —Chapter 9 – Financing County Services

Proposition 15 would result in significant new revenues for most counties, schools, and other local agencies, providing a measure of financial independence from the state and allowing increased services in those communities. However, the measure is also likely to reduce revenue somewhat for some small counties. In deciding on a position, supervisors will have to weigh both of these impacts.

Staff Contact
Please contact Geoff Neill at gneill@counties.org or Ada Waelder at awaelder@counties.org.

Resources
1) Full text of Ballot Initiative
2) Title and Summary by Attorney General
3) Fiscal Analysis by Legislative Analyst's Office

August 3, 2020

To: CSAC Executive Committee

From: Geoff Neill, CSAC Legislative Representative
Ada Waelder, CSAC Legislative Analyst

Re: Proposition 16 – Government Preferences – ACTION ITEM

Recommendation
The Government Finance and Administration policy committee recommends that CSAC *support* the measure.

Summary
Proposition 16, approved by the Legislature as ACA 5 (Weber), would repeal Section 31 of Article I of the California Constitution, which prohibits the State of California, including counties and other local agencies, from "discriminat[ing] against, or grant[ing] preferential treatment to, any individual or group on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, or public contracting."

Background
Current Law
As stated above, Section 31 of Article I of the California Constitution prohibits counties and other government entities from granting preferential treatment based on race, sex, color, ethnicity, or national origin in matters of public employment or contracting. This section was adopted in 1996 with the passage of Proposition 209.

Article 14 of the U. S. Constitution prohibits states from making or enforcing laws that deny equal protection of the laws to any person within its jurisdiction. A series of court cases have found that equal protection does not prohibit the use of identifying characteristics such as race or gender when doing so furthers a compelling interest, for instance in "obtaining the educational benefits that flow from a diverse student body" (*Grutter v. Bollinger*). However, it does prohibit the use of quotas in these decisions, so the decisions must be individualized, narrowly tailored, and cannot be decisive (*Regents of the University of California v. Bakke* and *Gratz v. Bollinger*).

Changes under Ballot Measure
Proposition 16, if passed by voters, would not in and of itself implement any changes to state or local hiring, contracting practices, or public education. It would, however, repeal the prohibition against government entities using race, sex, color, ethnicity, or national origin in those decisions.

Notably, permission to use these factors would not be unfettered, as made clear even in the landmark Supreme Court decision upholding affirmative action, *Regents of the University of California v. Bakke*. At

the time of the case, public schools in the United States had been desegregated, but many university programs, especially graduate programs for specialties such as medicine and law, remained almost entirely comprised of white students. In response, and in recognition of the history of discrimination, poverty, and inferior schools that led to the difficulty minorities faced in competing in the admissions process, many schools implemented affirmative action programs. The UC Davis School of Medicine established a program for applicants that indicated they wished to be considered disadvantaged, and set aside 16 percent of its spots for those applicants. This was the program at issue in the *Bakke* case.

The decision of the court found that diversity in the classroom was a compelling state interest and that race could be used as one of several factors in admission, but that quotas were themselves discriminatory. In one of several concurring opinions, other justices noted that "governmental preference has not been a stranger to our legal life. We see it in veterans' preferences. We see it in the aid-to-the-handicapped programs… In order to get beyond racism, we must first take account of race."

These findings, that factors such as race can be used as one factor in government decision making in furtherance of a compelling public interest, but not a decisive factor without individual consideration, were affirmed and clarified by later cases. Therefore, if Proposition 16 were to pass, counties would be limited to programs that fall within the bounds permitted by the U. S. Constitution and federal law.

Policy Considerations
Existing CSAC Policy
The California County Platform states in Chapter 1:

> "Local control is the chief principle underlying the California County Platform."

Chapter 1, Section 1 goes on to clarify that fundamental principle:

> "Local control calls for the recognition of the differences that exist throughout the state and holds that local government should have the flexibility to develop systems by which services are provided and problems are resolved…
>
> "Not only does local control fortify counties' position that the state must recognize local differences, it also allows for individual counties to adopt alternatives that might not be acceptable to other counties –provided that these alternatives are not imposed on those who do not wish them.
>
> "Counties adopt the principle of local control as the policy cornerstone of CSAC."

Proposition 16 would remove a prohibition on considering factors such as race and gender in local hiring and contracting decisions from the California Constitution, thus increasing local control.

Staff Contact
Please contact Geoff Neill at gneill@counties.org or Ada Waelder at awaelder@counties.org.

Resources
1) Full text of ACA 5 (Proposition 16)

August 3, 2020

To: CSAC Executive Committee

From: Geoff Neill, CSAC Legislative Representative
Ada Waelder, CSAC Legislative Analyst

Re: Proposition 17 – Elections: Disqualification of electors – ACTION ITEM

Recommendation
The Government Finance and Administration policy committee recommends that CSAC *support* the measure.

Summary
ACA 6 (McCarty) is a constitutional amendment that was passed by the Legislature with a supermajority vote in both chambers, and then became Proposition 17. The measure would restore the right to vote to a person who is on parole. According to the California Department of Corrections and Rehabilitation, there are currently over 50,000 Californians on parole.

Background
Current Law
The California Constitution allows any resident of California who is a U.S. citizen, at least 18 years old, and not imprisoned or on parole for the conviction of a felony to vote. However, a person who is on probation for conviction of a felony is permitted to vote. County election officials are required by law to cancel the voter registration of those convicted of a felony until they complete parole, at which point individuals may re-register to vote.

Changes under Ballot Measure
Proposition 17 would amend the California Constitution to remove the two clauses that prevent those on parole for a felony conviction from voting. This would restore the right to vote to those convicted of felonies when they have finished serving their term of confinement to prison.

2011 Realignment
In 2011, the California Legislature and Governor Brown passed sweeping public safety legislation that shifted responsibility for certain populations of offenders from the state to counties. The changes included a shift from state prison to county jails and from parole to probation for non-violent, non-serious, and non-sex felons. However, the changes created new categories of offenders and threw into doubt whether these offenders, including those serving felony sentences in county jail, those sentenced to mandatory supervision (split sentences), and those under post-release community supervision (PRCS), were eligible to vote. Those questions were taken to the courts, most notably in *Scott v. Bowen*.

In 2016, Governor Jerry Brown signed AB 2466 (Weber), reflecting in statute the decision in *Scott v. Bowen*, which restored the right to vote for the three categories of offenders listed above. The court concluded that restoring voting rights of persons under PRCS and or mandatory supervision was consistent with the Realignment policy goal to promote reintegration of low-level offenders back into the community. In addition, the court relied upon the long-held principle in California law requiring courts "to give every reasonable presumption in favor of the right of people to vote." This decision and the subsequent legislation standardized and clarified practices throughout the state to ensure that felons under the formal jurisdiction of county jails and probation departments are able to vote.

Racial Disparities in the Prison Population
People of color, and especially Black men, are overrepresented in prison populations across the United States. In California, 3 of every 4 men in prison are Black, Latino, or Asian. Black Californians, who make up 6.5 percent of the state's total population, represent 28 percent of those who cannot vote because of felony disenfranchisement.

Many states instituted broad felony disenfranchisement provisions after the Civil War, when Black men were given the right to vote and property tests and other voting restrictions were eliminated. A historical analysis by authors Jeff Manza and Christopher Uggen found "[w]hen African Americans [made] up a larger proportion of a state's prison population, that state [was] significantly more likely to adopt or extend felon disenfranchisement." Those laws persist today.

However, some studies, including one by Manza and Uggen, show a relationship between civic reintegration, like voting, and a reduction in subsequent crime. A separate study by the Florida Parole Commission found that of 30,672 people convicted of a felony who had their right to vote restored, only 11.1% reoffended within the first year of release during the study. While it is unlikely that this is a result of voting alone, it may play a role in allowing those convicted of felonies to be law-abiding community members.

De Facto Disenfranchisement
California is one of only three states in the country that denies the right to vote to people on parole, but allows those on probation to vote. Studies have shown that few people, including elections officials and those serving sentences, understand the distinction between parole and probation. This leaves ample opportunity for eligible voters to be prevented from voting, or refrain out of fear of breaking the law, a phenomenon termed "de facto disenfranchisement." Allowing people to vote as soon as they are released from prison, regardless of the term used, will help eliminate this confusion and simplify election administration. Eighteen states already restore the right to upon release from prison.

Fiscal Impact
There is no significant fiscal impact for this measure to be implemented.

Policy Considerations
Existing CSAC Policy
The California County Platform, CSAC's adopted statement of the basic policies of concern and interest to California's counties, say the following:

> *Counties support efficient and accessible voting for all.* —Chapter 5 – Government Operations

The most cost-effective method of rehabilitating convicted persons is the least restrictive alternative that is close to the individual's community and should be encouraged where possible.
—Chapter 2 – Administration of Justice

Staff Contact
Please contact Geoff Neill at gneill@counties.org or Ada Waelder at awaelder@counties.org.

Resources
1) Full text of Ballot Initiative
2) Senate Elections and Constitutional Amendments Committee Analysis

August 3, 2020

To: CSAC Executive Committee

From: Geoff Neill, CSAC Legislative Representative
Ada Waelder, CSAC Legislative Analyst

Re: Proposition 18 – Elections: Voting Age – ACTION ITEM

Recommendation
The Government Finance and Administration policy committee recommends that CSAC *support* the measure.

Summary
ACA 4 (Mullin) is a constitutional amendment that was passed by the Legislature before becoming Proposition 17. The measure would allow a 17-year-old who will be 18 by the time of the next general election to vote at any primary or special election that occurs before the next general election. The measure was first introduced by Assembly Member Kevin Mullin's father, Assembly Member Gene Mullin, in 2004.

Background
Current Law
The California Constitution allows any resident of California who is a U.S. citizen, at least 18 years old, and not imprisoned or on parole for the conviction of a felony to vote.

Changes under Ballot Measure
Proposition 18 would add a clause to the state Constitution specifying that a California resident who will be 18 by the next General Election and who is otherwise eligible to vote may vote in any primary or special election leading up to that General Election. This will allow first time youth voters to fully participate in the democratic process by having influence over which candidates qualify for the General Election ballot. Currently, 23 states and the District of Columbia have similar laws.

The California Civic Engagement Project found that in California's 2020 primary election, 14.5 percent of eligible voters were between the ages of 18 and 24, but voters in this age range were only 6 percent of actual turnout. Because many 17-year-olds are still in high school, allowing them to participate in primary elections while they are taking classes on civic engagement could increase turnout, and studies have shown that once a person votes in an election they are more likely to do so again.

The measure would also narrow the gap for some voters between when they proactively pre-register to vote, which they are allowed to do at age 16, and when they are first eligible to vote.

Consistent with Federal Law
The 26th Amendment to the United States Constitution grants and protects the right for citizens 18 years and older to vote. According to the California Assembly Committee on Elections and Redistricting, "[b]ecause the U. S. Constitution only addresses abridging the right to vote and this measure expands voting rights there appears to be no conflict with the federal constitution. In an opinion dated April 12, 2004, the Legislative Counsel opined that an amendment to the California Constitution to permit a person under the age of 18 to vote would not violate federal law."

Fiscal Impact
Proposition 18 would not have a significant fiscal impact on counties.

Policy Considerations
Existing CSAC Policy
The California County Platform, CSAC's adopted statement of the basic policies of concern and interest to California's counties, states in Chapter 5 on Government Operations "Counties support efficient and accessible voting for all."

Staff Contact
Please contact Geoff Neill at gneill@counties.org or Ada Waelder at awaelder@counties.org.

Resources
1) Full text of Ballot Initiative
2) Senate Elections and Constitutional Amendments Committee Analysis

July 24, 2020

To: CSAC Executive Committee

From: Geoff Neill, CSAC Legislative Representative
Ada Waelder, CSAC Legislative Analyst

Re: Proposition 19 – The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disaster Act – ACTION ITEM

Recommendation
The Government Finance and Administration policy committee recommends that CSAC oppose Proposition 19.

Summary
The purpose of the Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disaster Act is to increase home sales by, first, allowing most homeowners to keep their accumulated tax benefit when purchasing a new home and, second, restricting the property tax benefit currently given to inheritors of real property.

Proposition 19 would also require the state to calculate the net benefit to the state's General Fund resulting from those changes, if any, and transfer a similar amount of funding mostly to local fire protection districts, with a portion of the remainder going to any local agencies that experience reduced revenue as a result of the measure's tax changes.

The fiscal effect for counties is highly uncertain, depending on how the law is interpreted and how it changes the behavior of property owners. On the high end, the Legislative Analyst's Office estimated that a similar measure might result in increased revenue in the tens of millions of dollars per year collectively for local agencies, but also tens of millions in new costs for county assessors. On the low end, the measure could reduce local agency revenues by tens of millions of dollars in addition to increased costs to assessors.

Background
Legislative History
Proposition 19 began as an initiative championed by the California Association of Realtors. After that initiative obtained the requisite number of signatures and qualified for the ballot an alternative measure was proposed in the Legislature, which eventually became ACA 11. As ACA 11 made its way through the legislative process, the Realtors withdrew their original measure.

ACA 11 has two key differences from the withdrawn initiative. A change to the rules for business property changes in ownership has been removed and a provision has been added to require the state to share any net benefit with fire districts and other local agencies.

Current Law
The California Constitution generally limits property taxes to 1 percent of the assessed value of real property, and limits annual assessment increases to 2 percent per year. Property is only assessed at its full value when property changes ownership or is newly constructed, at which point it is reassessed at fair market value. In the case of new construction, only the newly constructed part of the property is reassessed.

Since almost all property in California appreciates more than 2 percent per year, property owners accumulate a tax benefit that increases the longer they own their property. The tax benefit is most pronounced for property that was acquired earlier in life, has a higher value, or that rises in value more quickly.

Homeowners are allowed to take this tax benefit to a new home under a few conditions. First, the replacement property must become their primary residence and it must be worth no more than 10 percent more than their current home. Second, the new home must be located in the same county as the home they are moving from, or in one of ten counties that currently allow out-of-county home buyers to bring their tax benefit with them. Third, this portability is only allowed to be used once. Finally, the property owner must be at least 55 years old or severely disabled. (Those restrictions generally do not apply to taxpayers affected by disasters or contamination, or those whose property is acquired by a public entity.)

One exception to the rule that property be reassessed upon a change in ownership is for transfers from a parent to their child. Inherited property retains its accumulated tax benefit, as long as it stays in the family. Parents can transfer their primary residence and up to $1 million in value of other property, such as second homes or business properties, without reassessment. A grandparent may use these same provisions for transfer to their grandchild, but only if the parents of the grandchildren are deceased.

Changes under Ballot Measure
Proposition 19 would 1) significantly expand the tax benefit for existing homeowners wishing to move, but 2) restrict the benefit for transfers of family property. It would also 3) establish funds with the intent of providing increased funding to certain fire protection districts and local agencies.

1) Existing Homeowner Tax Portability
Proposition 19 would discard most of the restrictions on tax portability for homeowners who are over 55 or severely disabled. Their replacement home could be a home of any value anywhere in the state. In addition, they would be allowed to move with their accumulated tax benefit three times in their life, instead of the single occurrence allowed by current law. The measure would similarly ease restrictions for replacement homes for victims of wildfires and natural disasters.

If the replacement home is a greater value than the current home, the assessed value of the original home would apply to the value of the replacement house equivalent up to the fair market value of the old house. Any value the replacement home has in excess of the original, would be taxed fully.

For example, a certain 4-bedroom home in Saratoga (on Country Squire Lane) last sold in 1988 for $465,000 and is currently worth an estimated $2.25 million. Because assessed value is limited to increases of 2 percent per year, the owner currently pays property taxes on an assessed value of $782,225, for an ad valorem tax bill of just over $9,000 (instead of the roughly $26,500 they would pay without the tax benefit).

Assuming the homeowner is over 55, if they sold that house and bought a replacement home for $3 million elsewhere in the state, perhaps across Patchen Pass in Santa Cruz, they would pay about $9,000 in taxes on the first $2.25 million of value, then full freight (just under $9,000) on the remaining $750,000 of value, for a total tax bill of about $18,000. Without Proposition 19's changes, the new tax bill would instead be about $35,000, for a loss to Santa Cruz County of $17,000.

The home in Saratoga would either be taxed at full value when sold, or, if purchased as a replacement home someone else over 55, at the level dictated by their own accumulated tax benefit.

To take an example for below median-priced homes, a certain 3-bedroom house in Grass Valley (on Twin Star Lane) recently sold for $535,000. The previous owners had purchased the house in 2018 for $491,000 and were paying taxes on that amount (about $5,400). If the new owners, hypothetically, were moving from a certain house in Thousand Oaks (on Calle Jazmin), worth almost exactly the same amount, which they bought many years ago, instead of paying the around $491,000 in taxes, as the previous owners had, they would bring their advantageous tax assessment with them and pay only about $900 annually.

One question for county supervisors as they consider the fiscal effects of this measure, is how often transactions involving homeowners over 55 will occur. The LAO reports that around 80,000 homeowners over 55 move houses each year, most of whom end up paying higher property taxes than in their previous home. That represents about 20 percent of all home sales in the state, or one of every five. If the proponents of this measure are correct that qualifying homeowners currently move less often than they otherwise would because of the tax consequence, we can assume that number will rise.

Well over half of homeowners are 55 or older. The California real estate journal *first tuesday* anticipates that relocating Baby Boomers going into retirement will be the primary propelling force in both selling homes and buying replacements, even without this change in tax policy. This is due to several factors, including younger Californians being unable to save for a down payment due to high rents and student debts. If Baby Boomers will be the primary force in both selling and buying homes then, under this measure, there will be a stark increase in home sales that do not result in a reassessment at full market value.

While the magnitude is unknown, this provision of Proposition 19 would have a pronounced negative fiscal effect on counties, cities, and many special districts. However, to the extent it increases the volume of home sales, it would somewhat increase revenue from property transfer taxes.

Aside from county fiscal effects, county supervisors might consider the equity aspects of increasing this tax break for homeowners over 55. According to the Public Policy Institute of California, California's income inequality ranks sixth worst in the United States. Homeowners over 55 are overwhelmingly more likely to be wealthy and white compared to other Californians, partly because residential property is the most important factor in building generational wealth, and partly due to the persistent effects of widespread discriminatory real estate practices, such as redlining.

As a result of these and other factors, even though 54.4 percent of households in California own their homes, 63.5 percent of white, non-Hispanic householders own their home, while that number drops to 59.0 percent for Asian, 52.5 percent for Native, 46.8 percent for mixed race, 44.0 percent for Hispanic or Latino, and 34.4 percent for Black householders.

Single parents are similarly unlikely to own their home, with just 41.2 percent of single moms and 45.1 percent of single dads owning, compared to 68.0 percent of married couples.

Homeowners are, unsurprisingly, more likely to have higher income and higher net worth than renters. In California, homeowners have aggregate income of about $966 billion, compared to $438 billion for renters. The median household with people over 55, regardless of homeownership, has about double the net worth of a younger household, and far lower levels of debt, especially as a share of disposable income. And across the United States, the median net worth of homeowners is $231,400, while the median net worth of renters is just $5,000.

To the extent this portion of Proposition 19 further expands the tax break for homeowners over 55, it will increase these inequities and could result in a lower level of government services than would otherwise be provided due to reduced tax revenue.

2) Family Transfer Reassessments

Proposition 19 would state that the transfer of a family home from a parent (or grandparent) to a child (or grandchild) does not count as a change in ownership subject to reassessment, as long as the home continues as the family home. To continue as the family home, the transferee must claim the homeowner's tax exemption or the disabled veteran's exemption at the time of transfer or within one year.

The tax benefit can only be used on the home's taxable value plus $1 million, as determined at the time of the transfer. If the home's fair market value is higher than that, the excess value is taxed at the full rate. The $1 million limit would be adjusted annually by the state to account for inflation (so, for instance, for transfers occurring in five years the benefit could be used on the home's taxable value plus about $1.13 million).

Proposition 19 would extend the tax benefits enjoyed by family homes to family farms as well. However, the measure would eliminate the existing tax benefit for up to $1 million of other real property, such as other homes or business properties.

As the LAO reported in a 2018 study, family transfers are applied to tens of thousands of properties each year. Over the last decade 5 percent of all property transfers have applied the exclusion, for an annual revenue loss of $1.5 billion. While Proposition 19 would not make this change retroactive, to the extent new transferees choose not to apply the homeowner's tax exemption or disabled veteran's tax exemption, less revenue would be lost from future transfers.

Many transferees who do not live in the family home choose to rent out the properties, either as housing or as vacation rentals. To the extent that those who use them as vacation rentals instead sell them, this measure would modestly increase housing availability in California.

However, two issues with the new requirements are worth noting. First, as noted in the Senate analysis of the measure (attached), while, under Proposition 19, the homeowner's tax exemption is intended to be applied to the taxpayer's "true, fixed and permanent home," and while those facts are checked by county assessors before granting the exemption, once granted it is not revisited unless initiated by the taxpayer themselves.

Secondly, and potentially more troubling, the measure is not clear whether the property would be reassessed if a transferee moved their homeowner's exemption to a different property. It is clear that taking the exemption is necessary to receive the benefit, but, as noted above, reassessment can only occur upon a change in ownership or new construction. Nowhere in law is there a provision for reassessing property when a resident moves without the property changing hands. The Legislature could attempt to clarify this point through legislation, however, it is uncertain if the courts would agree they have the authority to.

Regardless, while the magnitude is unknown, this provision of Proposition 19 would have a pronounced positive fiscal effect on counties, cities, and many special districts. To the extent it increases the volume of home sales, it would also increase revenue from property transfer taxes.

Aside from county fiscal effects, county supervisors might consider equity aspects of restricting this tax break for family transfers of family homes and family farms. Owning residential property is the most important factor in building generational wealth. This measure would somewhat increase equity by limiting the ability for families to transfer not only the family home, but also another $1 million of real property without reassessment. Similarly, by removing, in at least some cases, the significant tax benefit of holding on to family homes, it frees up housing for other families to begin building wealth for themselves.

3) Funding Assistance for Fire Districts and Other Local Agencies

Proposition 19 would create two funds at the state level, the California Fire Response Fund and the County Revenue Protection Fund. The measure would require the Director of Finance to calculate increased revenues and net savings to the state resulting from the tax changes described above, if any. Of those increased revenues and net savings, 75 percent would be transferred to the California Fire Response Fund and 15 percent would be transferred to the County Revenue Protection Fund.

Any funds in the California Fire Response Fund would be distributed as follows:

- 20 percent to CAL FIRE for fire suppression staffing.
- 40 percent for districts that provide fire protection services, were formed after July 1, 1978 (post-Prop. 13), and employ full-time personnel who are immediately available to comprise at least 50 percent of an initial full alarm assignment.
- 20 percent for districts that perform fire protection services, were formed before July 1, 1978, are underfunded due to low shares of property taxes and increased service demands, and that employ full-time personnel as described above.
- 20 percent for districts that provide fire protection services and employee full-time personnel who are immediately available to comprise between 30 and 50 percent of an initial full alarm assignment.

Any funds in the County Revenue Protection Fund would be distributed to local agencies that experience an overall loss in revenue as a result of the measure's tax policy changes. The measure gives counties the responsibility of calculating whether the county itself, or any local agency in the county, has experienced a "negative gain." The calculation is made by adding together the two revenue changes made by the measure (tax portability, both outbound and inbound, and family transfers).

Any county, city, special district, or school district that experiences a net loss in revenue over a three-year period would be eligible for reimbursement from the County Revenue Protection Fund. If the fund

does not have enough money to reimburse all agencies with a loss, funds would be distributed proportionately based on the size of their losses.

The fund balances would be based on the Director of Finance's calculation of increased revenues and net savings. The increased revenues would come as a result of capital gains related to home sales. Capital gains liability from the sale of a primary residence is affected by several factors. How much the home has increased in value is one factor, but the first $250,000 of gains for single taxpayers, or $500,000 for couples, are exempt in most cases. This is also true for the cost of any additions and improvements. Another major factor is the stepped-up basis upon the death of a spouse, which can reduce capital gains liability enormously.

The state's net savings are simpler to calculate, but also less certain to exist at all. Under Proposition 98, school districts are guaranteed a minimum amount of funding, which is provided by a combination of local property taxes and state funding. To take the metaphor of a bucket, property taxes fill the bucket as far as they can, then the state provides funding to finish filling the bucket. In this metaphor, if property taxes fill more of the bucket further (for instance, because the family transfer tax break has been limited), the state is obligated to provide less funding, resulting in net savings to the state.

However, over the years voters have modified Proposition 98 several times and have created three different "tests" to determine the statewide minimum funding level for schools. Depending on conditions, the funding level could be calculated by taking the previous year's funding and multiplying it by the statewide increase in personal income, or by inflation. But under what's called Test 1, the level is determined simply by a percent share of the state's General Fund revenues. In Test 1 years, the bucket metaphor does not apply because regardless of how much funding is provided by property taxes, the state's contribution level is the same.

California has been in Test 1 years for the past two fiscal years and analysts predict that it will remain that way for the foreseeable future. If that is the case, Proposition 19 will not result in net savings to the state's General Fund. Likewise, recent experience with Proposition 47 has shown that the Director of Finance is motivated to calculate increased revenues and net savings to be small when it is in the state's interest to do so.

Therefore, while the measure intends for the state to share 15 percent of any increased revenues and net savings with the counties, cities, special districts, and school districts that experience a "negative gain," the size of any additional funding is too uncertain to estimate.

Overall Fiscal Impact
As noted at the top of this memo, the fiscal effect for counties is highly uncertain, depending on how the law is interpreted and how it changes the behavior of homeowners. On the high end, the Legislative Analyst's Office estimated that a similar measure might result in increased revenue in the tens of millions of dollars per year collectively for local agencies, but also tens of millions in new costs for county assessors. On the low end, the measure could reduce local agency revenues by at least tens of millions of dollars as well as increased costs to assessors.

Policy Considerations
Existing CSAC Policy
The California County Platform, CSAC's adopted statement of the basic policies of concern and interest to California's counties, states the following:

> *Property Tax Revenue: Counties oppose erosion of the property tax base through unreimbursed exemptions to property taxes. The state should recognize that property tax revenues are a significant source of county discretionary funds. Any subventions to counties that are based upon property tax losses through state action should be adjusted for inflation annually.* – Chapter 9 – Financing County Services

Due to this part of the County Platform, in 2018 CSAC, along with a broad coalition of labor and other stakeholders, strongly opposed Proposition 5, which was also written by the California Association of Realtors. That measure, like this one, expanded tax portability for homeowners over 55, but importantly did not also restrict the tax break for family transfers or require the state to calculate and share any net benefit with fire districts and other local entities.

In evaluating this measure, county supervisors will have to weigh whether the limitations on family transfers, and possible increases to funding from the state, are sufficient to overcome CSAC's previous opposition to the expanded tax benefit for established property owners, while also considering any effect on wealth inequality in the state.

Staff Contact
Please contact Geoff Neill at gneill@counties.org or Ada Waelder at awaelder@counties.org.

Resources
1) Full text of ballot measure
2) LAO Analysis of a fiscally similar measure withdrawn by proponents in favor of ACA 11
3) Senate analysis of ACA 11

August 3, 2020

To: CSAC Executive Committee

From: Josh Gauger, CSAC Legislative Representative
Stanicia Boatner, CSAC Legislative Analyst

Re: 2020 Ballot Initiative: Proposition 20 – Reducing Crime and Keeping California Safe Act of 2018 – ACTION ITEM

Recommendation
The Administration of Justice policy committee recommends that CSAC take no positon on the measure.

Summary
This measure amends state law to (1) increase penalties for certain theft-related crimes, (2) change the California Department of Corrections and Rehabilitation's (CDCR) existing non-violent offender release consideration process, (3) change county probation community supervision practices, and (4) require DNA collection from adults convicted of certain misdemeanors.

Background
The criminal justice system has undergone several significant changes over the last decade. These changes primarily intended to reduce county jail and state prison populations, costs of incarceration, and improve reentry and recidivism outcomes among the offender population. Proposition 20 proposes several amendments that overlap with these measures.

AB 109/2011 Public Safety Realignment
What it did: Among other changes, Chapter 15, Statutes of 2011 (AB 109) changed adult criminal sentencing so that lower-level—non-serious, non-violent, and non-sex registrant—felons served their sentences in county jail rather than state prison. Under AB 109, offenders convicted of a current non-serious, non-violent, and non-sex registrant felony are still sentenced to state prison if they have a prior conviction for a serious or violent felony or felony subjecting the offender to registration as a sex offender. The non-serious, non-violent, and non-sex registrant population currently being sentenced to state prison under this provision is now released on Post-Release Community Supervision (county probation oversight) rather than state parole. AB 109 was part of the broader 2011 Public Safety Realignment and the source of funding for counties to fulfill these responsibilities is protected under the constitutional amendments passed in Proposition 30 (2012). AB 109-related reforms also included new "tools" for managing the offender population which became a county responsibility, including "split sentences" and "flash incarceration." Split sentences require a period of Mandatory Supervision on county probation after a period of jail incarceration—similar to state parole. Separately, flash incarceration is an alternative sanction that may be utilized to require a short

(up to 10 days) jail incarceration as a response to a violation of the terms and conditions of community supervision (relevant here is Post-Release Community Supervision).

How Proposition 20 would change it: This ballot measure would *require* a supervising county agency to petition the court to revoke, modify, or terminate Post-Release Community Supervision, if the supervised person has violated the terms of their release for a third time. Meaning, a third violation would preclude the use of alternative sanctions by probation departments. Additionally, Proposition 20 *requires*, upon a decision to impose a period of flash incarceration, the probation department to notify the court, public defender, district attorney, and sheriff of each imposition of flash incarceration.

Proposition 47 (2014)

What it did: Proposition 47 implemented three broad changes to felony sentencing laws. First, it reclassified certain theft and drug possession offenses from felonies to misdemeanors unless the defendant has prior convictions for murder, rape, or certain sex or gun offenses. Second, it authorized defendants currently serving sentences for felony offenses that would have qualified as misdemeanors under the proposition to petition courts for resentencing under the new misdemeanor provisions, subject to certain severe crimes noted above. Third, it authorized defendants who have completed their sentences for felony convictions that would have qualified as misdemeanors under the proposition to apply to reclassify those convictions to misdemeanors, subject to certain severe crimes noted above. Additionally, the measure required state savings resulting from the implementation of the act to be transferred to a new fund for specified grant programs.

How Proposition 20 would change it: This ballot measure would make multiple changes to criminal sentencing which was impacted by Proposition 47.

- First, because DNA collection is generally authorized for felony convictions, as specified, individuals convicted of crimes that Proposition 47 reclassified from felonies to misdemeanors are no longer subject to DNA collection. Proposition 20 would add numerous misdemeanor convictions to the list of crimes or circumstances in which DNA collection is authorized. Examples include, shoplifting, possession of a controlled substance, assault or battery on school property when school activities are being conducted, disorderly conduct, or certain domestic violence crimes.
- Second, under current law (as impacted by Proposition 47) theft of money or property worth less than $950 is generally charged as petty theft or shoplifting—generally misdemeanors punishable by up to six months in county jail. Proposition 20 would specify that crimes such as identity theft, forgery, and unauthorized use of a vehicle cannot be charged as petty theft or shoplifting regardless of the value. Alternatively, Proposition 20 would have these crimes charged as “wobblers”—if charged as a misdemeanor, punishable by up to one year in jail, and if charged as a felony, punishable by up to three years in jail or prison.
- Third, Proposition 20 creates new crimes: serial theft and organized retail theft, as specified. These new crimes would apply to offenders who have been previously convicted two or more times on separate occasions of certain retail theft, petty theft, shoplifting, and other specified crimes. Similarly, these new crimes would be “wobblers” punishable by up to three years in jail.

Proposition 57

What it did: Proposition 57 reformed the juvenile and adult criminal justice system in California by (1) creating a parole consideration process for non-violent offenders who have served the full term for their primary criminal offense in state prison; (2) authorizing the CDCR to award credits earned for good conduct and approved rehabilitative or educational achievements; and (3) requiring judges to determine whether juveniles charged with certain crimes should be tried in juvenile or adult court. Pertinent to Proposition 20, offenders can be convicted of multiple crimes, including a primary crime for which they receive the longest amount of prison time. They can serve additional time due to certain case factors (e.g., use of a weapon or previous convictions). Proposition 57 allowed inmates convicted of non-violent felonies (as defined by current law) to be considered for release by the Board of Parole Hearings (BPH) after serving the term for their primary crimes.

How Proposition 20 changes it: This ballot measure classifies additional crimes as "violent" for the purposes of the Proposition 57 parole review process, which results in more individuals being excluded from review, and creates a higher threshold for release consideration. Additionally, the measure allows prosecutors to request a review of BPH release decisions. Under this proposition, violent crimes would now include crimes such as assault, domestic violence, specified human trafficking crimes, and solicitation to commit murder. Lastly, Proposition 20 would create additional review factors for the BPH and delay any reviews after a denial to two years (rather than one).

Proposition 20 Fiscal Impact

The Legislative Analyst's Office and Department of Finance estimate increased state and local correctional costs likely in the tens of millions of dollars annually, primarily related to increases in penalties for certain theft-related crimes and the changes to the non-violent offender release consideration process. Additionally, they estimate increased state and local court-related costs of around a few million dollars annually related to processing probation revocations and additional felony theft filings. Lastly, there could be increased state and local law enforcement costs not likely to exceed a couple million dollars annually related to collecting and processing DNA samples from additional offenders.

Given the overlap with crimes reclassified under Proposition 47, this ballot measure could also reduce the state savings that is annually made available for certain grant programs.

Arguments in Support

Proponents of Proposition 20 generally argue that, despite the violent nature, certain crimes are incorrectly designated as non-violent under California law. Because they are designated as non-violent, offenders serving current state prison terms for these crimes are eligible for parole consideration after serving the full term for their primary offense (Proposition 57 early parole review process). This measure would designate these crimes as "violent" for the purposes of this review and, therefore, make the offenders ineligible for early parole consideration. Additionally, proponents argue that Proposition 20 provides protection against violent crime by allowing DNA collection from persons convicted of theft or drug offenses. Lastly, they argue that Proposition 20 strengthens sanctions against serial theft.

Arguments in Opposition
Opponents of Proposition 20 generally argue that California already has lengthy sentences and strict punishment for serious and violent crime and this measure would unnecessarily result in tens of millions of dollars being spent on prisons while cutting rehabilitation programs and support for crime victims. Additionally, opponents argue that increasing penalties for theft-related crimes will have a disproportionate impact on Black, Latino, and low-income individuals. Lastly, they argue that California has made progress by enacting criminal justice reforms to reduce prison spending and expand rehabilitation and this measure would repeal California's progress.

Policy Considerations
Proposition 20 includes elements that are both consistent with prior CSAC positions on related measures and inconsistent with CSAC's policy platform and positions.

AB 109 (No Position): CSAC did not have a formal position on AB 109 but actively negotiated the terms of 2011 Public Safety Realignment with an emphasis on local control and fiscal protections. Proposition 20 reduces flexibility afforded under AB 109 as it relates to county probation department decision making for violations of the terms and conditions of Post-Release Community Supervision. This reduced flexibility could result in increased jail incarceration and potentially increased jail costs which would have to be funded within existing county resources.

The CSAC 2011 Realignment platform states that CSAC will oppose efforts that limit county flexibility in implementing programs and services realigned in 2011 or infringe upon our individual and collective ability to innovate locally. Additionally, the AOJ Policy Platform states that the most cost-effective method of rehabilitating convicted persons is the least restrictive alternative that is close to the individual's community and should be encouraged where possible.

Proposition 47 (OPPOSE): CSAC opposed Proposition 47 which requires misdemeanor rather than felony sentencing for certain property and drug crimes and permitted certain offenders to petition for resentencing. Supporting Proposition 20 may be consistent with this prior position. However, it should be considered with the trade-offs of increased incarceration and the following relevant AOJ Policy Platform positions:

- Given that local and state corrections systems are interconnected, true reform must consider the advantage—if not necessity—of investing in local programs and services to help the state reduce the rate of growth in the prison population.

- A shared commitment to rehabilitation can help address the inextricably linked challenges of recidivism and facility overcrowding. The most effective method of rehabilitation is one that maintains ties to an offender's community.

Additionally, each year state savings from the implementation of Proposition 47 is required to be transferred and re-allocated in grant programs, as specified in the initiative. The Budget

estimates total state savings of $102.9 million for 2019-20. Proposition 20 could reduce state savings made available for these grant programs.

Proposition 57 (NEUTRAL): CSAC was "neutral" on Proposition 57. While Proposition 57 largely focuses on the management of the state prison and offender population, the decisions the state makes in implementing Proposition 57 undoubtedly impact counties due to the overall criminal justice continuum and close ties between the two systems. As cited above, the AOJ Policy Platform includes language related to helping the state reduce the rate of growth in the prison population and overcrowding.

Staff Contact
Please contact Josh Gauger at jgauger@counties.org or Stanicia Boatner at sboatner@counties.org.

Resources
1) Title and Summary
2) Full text of Ballot Initiative
3) Fiscal Analysis by Legislative Analyst's Office

August 3, 2020

To: CSAC Executive Committee

From: Josh Gauger, CSAC Legislative Representative
Stanicia Boatner, CSAC Legislative Analyst

Re: 2020 Ballot Initiative: Proposition 25 Replace Cash Bail with Risk Assessments Referendum - ACTION ITEM

Recommendation:
The Administration of Justice policy committee recommends that CSAC take no positon on the measure.

Summary:
The "Replace Cash Bail with Risk Assessments Referendum" requires a majority of voters to approve (Yes vote) a 2018 state law (Chapter 244, Statutes of 2018, Hertzberg-SB 10) before it can take effect. SB 10 replaces the current money bail system with a system for pretrial release from jail based on a determination of public safety or flight risk, and limits pretrial detention for most misdemeanors.

Background:
Current Law
California utilizes a cash bail system to release detained criminal suspects before their trials. Suspects pay a cash bond to be released from jail pending trial with the promise to return to court for trial and hearings. The cash bond is repaid to suspects after their criminal trials are completed, no matter the outcome.

Alternatively, a person can pay a nonrefundable fee to a bail agent to buy a bail bond. This fee is typically no more than 10 percent of the total bail amount. If the individual does not appear in court as required, the bail agent can seek repayment from the person.

The Judicial Council of California describes bail as a tool to ensure the presence of the defendant before the court. The state's countywide superior courts are responsible for setting cash bail amounts for crimes, and judges are permitted to adjust the cash bail amounts upward or downward.

COVID-19 Judicial Council Temporary Emergency Bail Rule
As a result of the state of emergency related to the COVID-19 pandemic, the California Judicial Council enacted Emergency Rule 4 on April 6, 2020. This temporary rule established a statewide emergency bail schedule for designated criminal offenses. The rule required $0 bail for all misdemeanor and felony offenses with the exception of:

- serious and violent felonies;
- sex offenses;

- domestic battery and violence;
- driving under the influence;
- felon in possession of a firearm;
- violation of a protective order; and
- other specified offenses.

The temporary bail schedule was a setting of presumptive $0 bail, not a requirement for "no bail" releases. Therefore, nothing in the rule precluded the court from imposing reasonable conditions of release.

The court maintained the ability to depart from the $0 bail schedule based on individual case factors, criminal history, or good cause to protect public safety or assure future court appearances. Similar to imposing conditions of release, the increase to the "presumptive" $0 bail schedule could be ordered by the on-call magistrate or could be reviewed at arraignment and, for good cause, the court could depart from the schedule.

This temporary emergency bail schedule was suspended effective June 20, 2020.

SB 10 (Hertzberg) – California Money Bail Reform Act:
SB 10 by Senator Hertzberg, the California Money Bail Reform Act, creates a risk-based non-monetary pre-arraignment and pretrial release process for individuals arrested for criminal offenses. The legislation would replace the state's cash bail system with risk assessments to determine whether a detained individual should be granted pretrial release and under what conditions. The risk assessments would categorize individuals as low risk, medium risk, or high risk. Individuals deemed as having a low risk of failing to appear in court and a low risk to public safety would generally be released from jail. Individuals deemed medium risk could be released depending on rules made by each court and could be subject to certain conditions of release, such as supervision or electronic monitoring. Those deemed a high risk, and those deemed medium risk that are not released according to court rules or a judge, would remain in jail.

SB 10 requires people placed in county jail for most misdemeanors to be automatically released within 12 hours of being placed in jail. However, certain people placed in jail for misdemeanors, such as those placed in jail for domestic violence or who have failed to appear in court more than two times in the past year, would not be automatically released.

SB 10 tasks state trial courts with conducting risk assessments and making recommendations for conditions of release. Of significant importance to counties, SB 10 also authorizes trial courts to contract with certain local public agencies, primarily probation departments, to perform these activities. However, if both the court and local public agency are unwilling or unable to do so, the court could contract with a new local public agency created specifically to perform these activities.

Fiscal Impact:
According to the California Department of Finance and the Legislative Analyst's Office, if voters uphold the state's pending pretrial process (SB 10), it would result in an unknown fiscal effect on state and local governments related to changes in pretrial proceedings and the supervision of

released individuals. There would likely be a reduction in local government costs that could reach the low tens of millions of dollars annually, from a reduction in the number or amount of time individuals spend detained in county jail prior to trial. Additionally, there would be increased state and local costs tied to administering risk assessments and conditions of release that could be hundreds of millions. Early budget estimates after the passing of SB 10 assumed over $200 million annually.

Arguments in Support:
Proponents for reforming the existing bail system and implementing SB 10 argue that under the current money bail system, if you can afford to pay bail, you go free until your trial. If you cannot afford bail, you must stay in jail. This money bail system does not protect public safety and it results in injustice. Additionally, they argue that Proposition 25 means decisions will be based on risk to public safety, not a person's ability to pay. Lastly, they state that the money bail system can force innocent people to plead guilty to crimes they did not commit.

Arguments in Opposition:
Opponents of upholding SB 10 argue that the current system guarantees that people accused of non-violent crimes have the choice of securing their release by posting bail or by order of a judge. They further argue that Proposition 25 replaces this right with an automated system of computer-generated predictive modeling based on mathematical algorithms administered by 58 different counties. Additionally, opponents highlight that certain civil rights groups oppose Proposition 25 because it will create more biased outcomes against people of color and those from economically disadvantaged areas. Lastly, they argue that it forces counties to create a new bureaucracy costing tax payers hundreds of millions of dollars to determine who will and will not get released from jail pending trial.

Policy Considerations:
This measure, and SB 10, includes elements that are both consistent and inconsistent with CSAC's existing AOJ Policy Platform on bail. Therefore, CSAC took a "neutral" position on SB 10. Existing AOJ policy supports a bail system that would validate the release of pre-sentence persons using risk assessment tools as criteria for release. SB 10 is consistent with this policy position. Additionally, existing AOJ policy states that any continuing county responsibility in the administration or operation of the bail system must include: 1) a mechanism to finance the costs of such a system and 2) provide counties with adequate local flexibility. SB 10 restricts certain county flexibility in the organization of pretrial release programs and the adequacy of state funding to implement the provisions of SB 10 are subject to negotiations with the state Department of Finance.

For the purposes of the court contracting with a local public agency to provide pretrial assessment services, SB 10 specifies that the court may not contract with a qualified local public agency that has primary responsibility for making arrests and detentions within the jurisdiction. Additionally, pretrial assessment services shall be performed by public employees. Lastly, SB 10 specifies that a "qualified local public agency" is one with experience in all of the following:

- Relevant expertise in making risk-based determinations.
- Making recommendations to the courts pursuant to Penal Code section 1203.
- Supervising offenders in the community.

- Employing peace officers.

SB 10 requires the Department of Finance to allocate fund to local probation departments for pretrial supervision services, as specified. However, probation departments shall only be eligible for this funding when they also contract with a court for the provision of pretrial assessment services.

Staff Contact
Please contact Josh Gauger at jgauger@counties.org or Stanicia Boatner at sboatner@counties.org.

Resources
1) Full text of Ballot Initiative
2) Full text of Senate Bill 10 (Hertzberg)
3) Title and Summary by Attorney General
4) Fiscal Analysis by Legislative Analyst's Office

August 6, 2020

To: CSAC Executive Committee

From: Leonard Moty, President
Alan Fernandes, Chief Executive Officer

RE: **CSAC Finance Corporation Update**

CSAC Finance Corporation Business Program Updates

The CSAC Finance Corporation's business programs continue to offer great benefit to member public agencies while also returning revenue that enables the continuation of these program offerings. Among the most success partnerships is with the California Statewide Communities Development Authority (CSCDA), our first and longest standing program which was created in 1988, under California's Joint Exercise of Powers Act. For over 30 years CSCDA has provided California's local governments with an effective tool for the timely financing of community-based public benefit projects. CSCDA is currently focused on increasing the supply of workforce housing units throughout California.

New Program Offerings

The CSAC Finance Corporation continues to explore new programs that offer benefit to our member counties and related public agencies. Our two newest programs regarding cost reduction services and employee health and wellness programs. Specifically, Procure America provides counties with analytics and strategies that result in greater performance at lower costs. While Optum Rally Wellness platform improves wellness program engagement for county employees. In addition to these programs, we continue to strengthen our partnership with the National Association of Counties as we will be formally announcing new programs helping counties improve cash management and cyber security.

Corporate Associates Program

The Corporate Associates program is beginning the new fiscal year strong with 70 partners across three levels. Staff has secured 7 new partners as of this report. At the Platinum level, Broadnet (Duncan McFetridge), Procure America (Todd Main), Chevron (Henry T. Perea) and OpenGov (Tim Melton and Christine Spiel) have now joined. At the Gold Level, ForeFront Power (Sam Zantzinger) has joined. At the Silver Level, Invisible Defender (Tori Klein) and Lockheed Martin (Robert Head) have joined. These new partners combine for over $120,000 in new revenue to CSAC.

We remain in regular contact with our Corporate Associates and are seeking new ways to partner with them virtually and provide the value they are accustomed to

within our program. Opportunities include an expansion of partner driven webinars (in association with ILG and others), and various Zoom calls and email outreach on behalf of our partners to our county members. Thank you in advance for your engagement in this new age of virtual connectivity and in your willingness to connect with the business community.

The most updated Corporate Associates roster and business program overview is attached.

Alan Fernandes, Chief Executive Officer
alan@csacfc.org or 916.650.8175

Jim Manker, Director of Business Development
jim@csacfc.org or 916.650.8107

The CSAC Finance Corporation offers value-added products and services to California's counties, their employees and retirees as well as other forms of local government. Our programs are designed to assist county governments in reducing costs, improving services, and increasing efficiency. Our offerings provide the best overall local government pricing and the revenue generated by the CSAC Finance Corporation supports CSAC's advocacy efforts on behalf of California's counties.

Program Summary

Financing

CSCDA Cathy Bando www.cscda.org

The California Statewide Communities Development Authority (CSCDA) was created in 1988, under California's Joint Exercise of Powers Act, to provide California's local governments with an effective tool for the timely financing of community-based public benefit projects. Currently, more than 500 cities, counties and special districts have become Program Participants to CSCDA – which serves as their conduit issuer and provides access to an efficient mechanism to finance locally-approved projects. CSCDA helps local governments build community infrastructure, provide affordable housing, create jobs, make access available to quality healthcare and education, and more.

Deferred Compensation

Nationwide Rob Bilo www.nrsforu.com

The Nationwide Retirement Solutions program is the largest deferred compensation program in the country for county employees. In California, over 65,000 county employees save for their retirement using this flexible, cost-effective employee benefit program. This program is the only one with a national oversight committee consisting of elected and appointed county officials who are plan participants. Additionally, an advisory committee comprised of California county officials provides additional feedback and oversight for this supplemental retirement program. Currently 32 counties in California have chosen Nationwide to help their employees save for retirement.

Investing

CalTRUST Laura Labanieh www.caltrust.org

The Investment Trust of California (CalTRUST) is a JPA established by public agencies in California for the purpose of pooling and investing local agency funds - operating reserves as well as bond proceeds. CalTRUST offers the option of five accounts to provide participating agencies with a convenient method of pooling funds – a liquidiy fund, a government fund, a short-term, and a medium-term, and a new ESG compliant money market fund. Each account seeks to attain as high a level of current income as is consistent with the preservation of principle. This program is a great option to diversify investments!

Discounted Prescription Drugs

Coast2CoastRx Marty Dettelbach www.coast2coastrx.com

The Coast2Coast Discount Prescription Card is available at no-cost to the county or taxpayers and will save county residents up to 75% on brand name and generic prescription drugs. The Coast2Coast program is already being used by over 35 counties in California. Not only does it offer savings to users, your county will receive $1.25 from Coast2Coast for every prescription filled by a cardholder.

Cyber Security and Technology

Synoptek Eric Westrom www.synoptek.com

The CSAC FC and Synoptek have partnered to offer a human firewall training program and fraud assessment. The human firewall program is a training program whereby a comprehensive approach is initiated that integrates baseline testing, using mock attacks, engaging interactive web-based training, and continuous assessment through simulated phishing attacks to build a more resilient and secure organization. Synoptek offers a wide range of security technology offerings to aid your county in remaining vigilant and secure.

Property Tax Payment Portal

Easy Smart Pay Alan Fernandes www.easysmartpay.net

East Smart Pay is a product of Smart Easy Pay, a corporation formed by the CSAC Finance Corporation to help residents throughout California streamline their property tax payments. Through the Easy Smart Pay platform residents can pay their property taxes in installments via ACH or credit card with preferred processing fees. This program is currently being piloted in San Luis Obispo County.

Revenue Collection

CalTRECS Jim Manker www.csacfc.org

The CSAC FC has joined with NACo FSC to develop the California Tax Recovery and Compliance System (CalTRECS) program to help counties collect outstanding debts in a timely, cost-effective manner. The debt offset service allows counties and other local government to compile and submit their delinquencies for offset against pending state personal income tax refunds and lottery winnings.

Cannabis Compliance

CCA Greg Turner www.cca.ca.gov

The California Cannabis Authority is a Joint Powers Authority established by county governments to develop and manage a statewide data platform. The platform will assist local governments that are regulating commercial cannabis activity by consolidating data from different channels into one resource to help local governments ensure maximum regulatory and tax compliance. In addition, the platform can help to facilitate financial services to the cannabis industry by linking willing financial institutions with interested businesses, and by providing critical data to ensure that all transactions and deposits are from legal transactions.

Information & Referral Services

211 California Alan Fernandes www.211california.org

The CSAC FC manages 211 California which is a network of the 211 systems throughout California. These critical agencies serve county residents by providing trusted connectivity to community, health, and social services. During times of disaster and recovery, 211 organizations are vital to assist residents find critical services and information.

Business Intelligence Services

Procure America Todd Main www.procureamerica.org

Procure America provides its clients with analytics and strategies that result in greater performance at lower costs. By leveraging decades of industry experience, Procure America generates an average savings of 34%, all while increasing operational efficiency, vendor accountability, and service levels. Procure America's experts have deep, industry-specific experience and will analyze all aspects of the supplier relationship-contractual, operational and invoice compliance. Knowledge, information and focus delivers results.

Employee Health and Wellness Solutions

Optum Rally Jennifer Schlecht www.optum.com

Optum aspires to improve experiences and outcomes for everyone we serve while reducing the total cost of care. For individuals and families, Optum provides health care services, pharmacy services and health care financial services. For organizations, Optum provides business services and technology to health plans, providers, employers, life sciences and government.

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Christy Stutzman, Operations Manager
Sendy Young, Executive Assistant
Chase Broffman, Member Services Associate

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1. Alliant Insurance Services, Inc.
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August 6, 2020

TO: CSAC Executive Committee

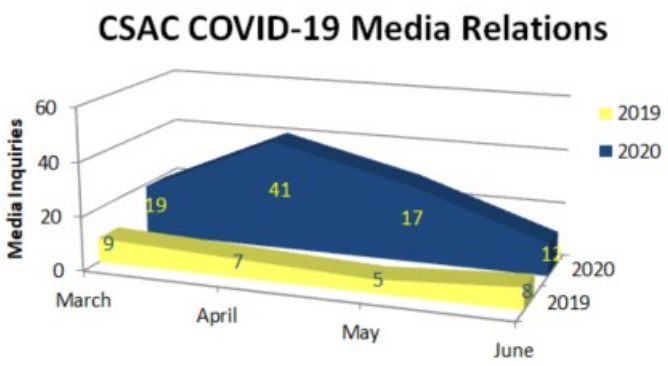
FROM: Manuel Rivas, Jr., Deputy Executive Director of Operations and Member Services
David Liebler, Director of Public Affairs and Member Services

SUBJECT: Communications Report

During the past two months, CSAC's Communications Team has primarily focused on two critical issues of major importance to California Counties: the COVID-19 pandemic and the FY 2020-21 State Budget. While continuing to provide members with current and vital information regarding the pandemic, the Communications Team also invested significant team supporting CSAC's legislative priorities. Our recent work has included:

Legislative Unit Assistance. CSAC communications has been working closely with our Legislative team on a daily basis. Our assistance has included producing talking points and media statements, providing communications support to federal and state advocacy campaigns through earned media and social media, distributing pertinent breaking news and orders from the Governor's Office as well as state and federal agencies, and providing early morning media updates and evening news summaries.

Media Work. CSAC's interaction with the media has increased sharply since the COVID-19 crisis struck California. Compared to last year, 2020 media inquiries are up nearly 300 percent for the period of March-June. Media inquiries are coming from top tier outlets including: Associated Press, Politico, National Public Radio, San Francisco Chronicle, LA Times, New York Times, Bloomberg, CalMatters and numerous local media outlets.



Between March 10 and June 30, CSAC issued 11 media statements/news releases and has been quoted or mentioned in more than 46 articles on a wide range of issues, including local authority; county funding/fees and the state budget; CARES act funding allocation to counties; reopening California; state and public health officer order enforcement and more. More important, reporters continue to actively seek CSAC for comment on behalf of counties because of our highly knowledgeable staff and the important role of counties in protecting public health during the COVID-19 pandemic.

Social Media Work. CSAC has undertaken significant work on social media over the past four months, particularly to support the Association's pandemic and state budget-related activities. This has been a highly successful way to distributed CSAC messaging on these critical issues.

Between March 1 and June 30, CSAC's Twitter page received more than 2.8 million views – an increase of more than 250 percent over the same four-month period in 2019. In May alone, CSAC's tweets were viewed 1 million times. Since mid-March, the CSAC communications Team produced 55 PSA graphics, 27 state budget advocacy graphics, 19 federal advocacy graphics, and 27 videos.

CSAC also produced a series of infographics visually displaying how county realignment revenues were projected to significantly decrease due to the pandemic:

- Tweets spotlighting CSAC –created Public Service Announcement graphics – Nearly 515,000 views from March 18 through July 10.Tweets spotlighting CSAC State Budget advocacy efforts – Nearly 150,000 views from May 10 through June 25.
- Tweets spotlighting CSAC federal relief advocacy efforts – Nearly 195,000 views from April 17 through May 21;
- Infographic tweets spotlighting county realignment revenues – More than 65,000 views from May 24 through June 15;
- Tweets highlighting CSAC-created videos – More than 315,000 views from March 19 through July 10.

CSAC is also utilizing YouTube, Facebook and Instagram to distribute information. We are working closely with CSAC Executive Director Graham Knaus, as well, to promote and assist his social media presence.

Website. CSAC Communications created a COVID-19 Resources Page on our website. The dynamic page is enhanced and updated regularly with new links of potential interest to our members and the general public. The page has more than 235 active links. Sections include information from county, state and federal agencies, an interactive map with links to county emergency declarations and shelter in place order; web links to coronavirus information in all 58 counties; links to county COVID-19 dashboards; executive orders and directives from the Governor; communications resources; CSAC and NACo updates; CSAC affiliate resources; employer resources and guidance; and corporate partner resources.

Weekly CSAC Bulletin. Since the COVID-19 crisis began in California, the CSAC Bulletin has been dominated by articles focusing on the pandemic. More than 180 articles pertaining to the pandemic have been written by CSAC staff for the Bulletin since mid-March. Subjects ran the gamut, from state and federal updates to impacts at the local level.

Daily Morning Clips/Evening Summaries. The CSAC Communications unit continues to provide the CSAC Executive Team and Legislative Unit with an early morning summary of major media articles focusing on COVID-19. This provides an easy-to-read look at major issues in California being reported on by the media. A significant focus of these clip summaries is on the pandemic, while state budget articles were prominent between the May Revise and Budget signing. We have noticed an increase in the attribution of county supervisors who are in leadership positions within CSAC, showing that the Association's reach with the media is growing.

In the evening, the Communications Team assists in the daily updates provided by the CSAC legislative team by writing summaries by writing summaries of the Governor's press conferences. These updates are distributed to more than 450 county leaders throughout the state. More than 80 updates have been provided since mid-March.

CALIFORNIA STATE ASSOCIATION OF COUNTIES®

Operations & Member Services/California Counties Foundation

FY 2019 -20

BY THE NUMBERS

COMMUNICATIONS

Supporting our legislative advocacy efforts and keeping members informed

883,238 VISITORS www.counties.org

160+ Media Inquiries

88 County Focused Videos

56,287 Video Views

56,000+ Bulletin views

50 The County Voice Blogs

4.5 MILLION VIEWS ON TWITTER @CSAC_Counties

COVID-19 Related Work

829,000 Twitter Views of CSAC Graphics

305,000 Twitter Views of CSAC Videos

235+ Resource Web Page Links

180+ Bulletin Articles Written

80+ Daily Advocacy Updates/Key Info

MEMBER SERVICES

Reaching more members with our meetings

Annual Meeting in San Francisco

- 131 County Supervisors
- 28 CEOs/CAOs
- 257 Senior Staff
- 24 CEAC Members
- 168 Affiliates, Corporate, Etc.
- 35 Other Stakeholders

Homelessness Policy Workshop in Partnership with The California League of Cities

November 4, 2019 in Sacramento, CA

285 Attendees - State, County & City Officials

FOUNDATION

Professional Development, Education & Special Initiatives

1,832+ CSAC INSTITUTE PARTICIPANTS

100 Executive Credentials and 31 IT Executive Credentials

2 County Supervisor Credentials

52 courses & special programs offered throughout the state

FUTURE CAMPUSES

2021 Alameda County
Mariposa County
Riverside County

CSAC Support Hub for Criminal Justice Programming

Two active grants totaling **$1.2M** to support Strategic Framework development in **14** counties and Technical Assistance and Community-of-Practice in up to **20** counties.

RECOGNIZING COUNTY INNOVATION

Spotlights on Count Best Practices

2 2018 Innovation Awards

16 2018 Challenge Awards

33 2018 Merit Awards

CSAC Challenge Awards Program

The CSAC Annual Challenge Awards showcases and recognizes county innovation and best practices in an ever-evolving world! In 2019, out of the **284** entries received, **51** programs from **27** counties will be honored.

CSAC Mission Statement:
To serve California counties by: developing and equipping county leaders to better serve their communities; effectively advocating and partnering with state and federal governments for appropriate policies, laws, and funding; and communicating the value of the critical work being accomplished by county government.

CSAC Communications Tools – COVID-19 Crisis

March 1 – June 30, 2020

2.8 Million Twitter Views

March	491,000
April	607,000
May	999,000
June	700,000

COVID-19 Related Graphics
496,000 Views

COVID-19 Related Videos
305,000 Tweet Views

CSAC Advocacy Campaign Graphics
333,000 Views

Media Inquiries
295% Increase
90 Inquiries

Resources Web Page
235+ Links

Communications Resources Web Page
100+ Links

Bulletin Articles
180+ written

Website COVID-19 Interactive Map
49,000 views

Daily Advocacy Updates and Key Information
80+ Updates

WWW.COUNTIES.ORG
California State Association of Counties

August 6, 2020

TO: CSAC Executive Committee

FROM: Manuel Rivas, Jr., Chief Executive Officer, California Counties Foundation
Chastity Benson, Operations Manager, California Counties Foundation
Ryan Souza, Program Director, CSAC Support Hub for Criminal Justice Programming

SUBJECT: California Counties Foundation Report

The last Foundation report focused on the impact of COVID-19 and its impact on Foundation operations and programs. Foundation staff worked tirelessly to ensure that this report is focused on how we would adjust to the "new normal" to ensure that Foundation programs thrive despite the obstacles of the Coronavirus pandemic. However, the transitions keep coming and now the CSAC Institute for Excellence has to prepare for yet another "new normal" due to the unexpected passing of our friend and colleague CSAC Institute Dean Bill Chiat.

Bill was an exceptional leader who led the effort for the Institute to become the top-notch professional development program for county government that it is today. Bill's passion and determination to develop and support county leaders was a gift to every life he touched. CSAC created an "In Memoriam" webpage which allows individuals to post their memories or thoughts about Bill's extraordinary career as a public servant and his dedication to the success of the CSAC Institute. For those of you who have not had a chance to read the piece, please visit www.counties.org to learn more about Bill's life, share your memories, and receive information about the William S. Chiat If Given A Chance Scholarship Fund.

Our team is committed to honor Bill's legacy by ensuring that the Institute thrives for years to come. We will pull on our resilience to ensure that we continue to offer programs and services that support California counties as they provide exceptional services to the communities they serve. The update below provides a brief snapshot of the work that has been completed to date as well as our plans to "reopen" the Institute.

California Counties Foundation Education Committee – The Education Committee held its first meeting on July 8, 2020. Committee members discussed the reopening of the Institute, the future of special programs (New Supervisors Institute and So You Want to Be the CAO), and new courses in crisis leadership and cultural competence. The Committee plans to reconvene prior to the next Foundation Board meeting to develop recommendations on short and long term plans for the Institute.

Equity & Cultural Competence Courses – Over the past couple of months, staff has engaged in several discussions to improve the diversity of Institute instructors and broaden course offerings that address bias and discrimination. As a starting point, our plan is to offer two online Implicit Bias courses in the Fall. At the direction of the CA Counties Foundation Education Committee, staff will create a survey for county elected officials and executive staff to get their thoughts on the Institute providing courses on diversity, equity and inclusion.

The primary purpose of the survey is to identify where elected officials and county staff are on key issues that have taken on a new profile at the local level in the wake of recent protests on race and social justice. We hope the survey will provide information on specific topics that will lead to the Institute offering a series of cultural competence courses that we can begin offering in the Winter-Spring 2021 semester.

Fall 2020 Course Schedule – The Institute will reopen in September 2020! Twenty-three courses will be offered online, including 12 satellite campus courses that were postponed due to the coronavirus. For more information, including a full list of classes and registration details, please visit www.csacinstitute.org.

CSAC Institute Webinar Series – The Institute offered a series of webinars on crisis leadership practices for today, and on preparing counties for the next new normal. The webinars were led by CSAC Institute faculty and included topics such as adaptive leadership, resilience in the next new normal and facilitating virtual meetings. The webinars were well received and averaged 55 participants, per webinar. The webinars are available on demand at www.csacinstitute.org.

CSAC Institute COVID-19 Pandemic Leadership Resources Website – The Institute has created a new website with a carefully curated selection of resources for these uncertain times. The resources offer practical tips and briefs summarizing best practices for leadership in crisis response, recovery and community engagement. The briefs are written by the Institute Dean and faculty specifically for county managers, executives and elected officials. Please visit www.csacinstitute.org for new leadership resources throughout the response and recovery to the Coronavirus pandemic.

CSAC Support Hub for Criminal Justice Programming

Grants Overview – Currently, there are two central grant agreements under the CSAC Support Hub. These grants are provided by the Laura and John Arnold Foundation and The Pew Charitable Trusts. Both grants focus on the continuation, expansion, and sustainment of collaboration between the Support Hub for Criminal Justice Programming and local counties to improve data-driven and evidence-based practices through a structured Strategic Framework. More details on the specific components of the Strategic Framework and county work can be found on the Support Hub attachment.

Grants Operations – Although efforts on project specific components and expansion counties have been delayed because of the COVID-19 pandemic, the Support Hub has taken a multi-faceted approach to continuing this critical county engagement. These items include:

- Working with funders, amendments to both grants have been completed and are in the final signatory phase. These amendments mainly focus on extending reporting dates, extending final agreements to near year-end of the 2021 calendar year, and budget modifications to account for shifts with in-person meetings/convenings.
- Continued virtual technical assistance with partner counties to continue the already embarked upon work of components within the strategic framework, including logic models and process maps, program inventories and cost-benefit analysis, and data collection efforts. Additionally, conversations with county partners have begun to aid in the operational application of Strategic Framework components to what counties are currently confronting with programming and budget impacts.

- For the three counties that are newly partnering with the Support Hub, the Hub continues to stay engaged following initial kick-off meetings but substantive work is not expected to begin until early fall 2020 because of the operational/staffing impacts as a result of COVID-19. These counties include Los Angeles, Contra Costa, and Stanislaus. As a note, Contra Costa County, although new, has remained engaged through initial development of programming inventories, literature assessment, and logic models.

Finally, the Support Hub has had two interactive seminars (summarized below) to facilitate a discussion on impacts to counties as it relates to the COVID-19 pandemic and state budget process. Those seminars allowed the Support Hub to both engage partner counties on items that are operationally critical while reinforcing the importance of the Strategic Framework and its explicit usefulness during times of budget constraints.

- June 3, 2020 Interactive Seminar on *"Responding to and Learning from COVID: How Might Data and Analytics Help"* – this virtual seminar engaged partner counties locally and discussed current data and analytic projects, including how that work can apply to some of the operational questions that counties are beginning to grapple with during this pandemic.
- July 8, 2020 Interactive Seminar on *"State Budget and Fiscal Outlook for Counties: Impacts of COVID"* – this virtual seminar walked partnering counties on a number of items including a 2011 Realignment overview and COVID-19 fiscal impacts, the potential policy and budget implications around realignment of the State's Division of Juvenile Justice program, and the importance of how the Strategic Framework can be applied to these county-critical items.

Both seminars had between 40-50 county participants and a post-survey of the July 8th seminar, for the approximately 20% that responded, was positive with all participants noting the seminar as either "Very Valuable" (42.9%) or "Extremely Valuable" (57.1%). This survey also included the opportunity for participants to comment on future seminars they would be interested in attending, as part of the overall Strategic Framework.

While the Support Hub continues its virtual technical assistance work in partner counties, the Hub will also be continuing to plan for future seminars in the upcoming weeks/months that are of interest to partner counties. These seminars intend to focus on a more "in the weeds" approach to Strategic Framework components.

California Counties FOUNDATION

CSAC INSTITUTE FOR EXCELLENCE IN COUNTY GOVERNMENT

FY 2019-2020 BY THE NUMBERS

1832
Participants

53
Counties Represented

2019-2020 CAMPUSES

Sacramento
Mendocino/Lake
San Diego
Santa Cruz
Shasta/Tehama
Tulare

FUTURE CAMPUSES

Alameda - 2021
Mariposa - 2021
Riverside - 2021

52
Classes

43
Average Class Size

56% Males

44% Females

133 GRADUATES

2 County Supervisor Credentials

100 Executive Credentials

31 Technology Credentials

California Counties FOUNDATION

FY 2019-20 ROADMAP

CSAC INSTITUTE FOR EXCELLENCE IN COUNTY GOVERNMENT

JULY 2019

- Summer-Fall Classes began
- 37 Classes
- 5 Campuses: Sacramento, San Diego, Santa Cruz, Shasta/Tehama and Tulare

DECEMBER 2019

- Summer-Fall Semester Concludes with average class size of 43
- Foundation Board meets and updates bylaws, forms education committee and approves pop-up campuses.
- CSAC Institute launches social media campaign
- Foundation sponsors annual meeting workshop - Telling the County Story

JANUARY 2020

- Winter-Spring Classes began
- 44 Classes
- 5 Campuses: Sacramento, San Diego, Santa Cruz, Mendocino/Lake and Tulare
- Solano Pop-Up Campus
- CSAC Institute introduces Implicit Bias course

FEBRUARY 2020

- Faculty Development Seminar with 22 leaders from 14 counties
- 2020 IT Executive Credential cohort begins with 34 people

MARCH 2020

COVID-19

- Postponed 11 classes offered in satellite campuses.
- Cancelled 3 classes in our main Sacramento campus.
- Postponed the So You Want to be the County CEO seminar planned for April 1-3.

APRIL 2020

- Launched Crisis Leadership Resource Webpaege
- April Newsletter
- Postponed 8 classes offered in satellite campuses
- Cancelled 8 classes in our main Sacramento campus.
- Cancelled Mariposa County Pop-up campus

JUNE 2020

- Foundation Board meets to discuss CSAC Institute re-opening plan and education committee members appointed.
- Hosted first series of webinars
- Online learning discussions begin

JULY 2020

- First Education Committee Meeting
- Education Committee considers Equity and Cultural Responsiveness Institute courses
- Institute faculty meeting regarding online course format
- Passing of Bill Chiat

AUGUST 2020

- **Launch Summer-Fall courses**
- **Online IT Courses begin**

SEPTEMBER 2020

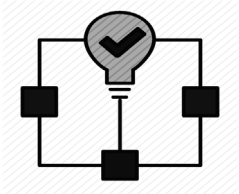
- Summer-Fall Classes begins with 23 online classes

Support Hub - Strategic Framework

Program Inventory & Literature Review

Inventory the full list of programs offered with descriptions, budget information, and then match to the evidence and literature that exists.

Logic Models & Process Maps

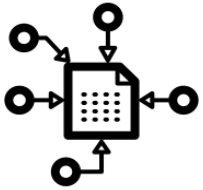


Create models/maps that outline the theory of change for a program. Including planned work, intended results, and how the data will be collected.

Contracting Practices

Engage providers with data to meet client needs, align targeted outcomes with budgets, and strengthen accountability and fidelity monitoring in order to achieve intended results.

Data Strategy & Dashboards



Improve monitoring of populations, programs, and outcomes across criminal justice systems, and create data visualizations for a variety of audiences.

Program Evaluation & Cost Benefit Analysis

Use data to develop program output and outcome evaluations and compare the costs of an intervention to a valuation of the benefits. Findings can be used to guide decision making.

County Counsels' Association of California

MEMORANDUM

To: **Supervisor Lisa Bartlett, President, and Members of the CSAC Executive Committee**

From: **Jennifer Henning, Litigation Coordinator**

Date: **August 6, 2020**

Re: **Litigation Coordination Program Update**

This memorandum will provide you with information on the Litigation Coordination Program's new case activity since your April 16, 2020 Executive Committee meeting. Recent CSAC court filings are available on CSAC's website at: http://www.csac.counties.org/csac-litigation-coordination-program.

The following jurisdictions are receiving amicus support in the new cases described in this report:

COUNTIES	CITIES	OTHER AGENCIES
Los Angeles (Assessor) Orange San Bernardino	Costa Mesa Sacramento Santa Barbara	State of California

District of Columbia v. U.S. Department of Agriculture
Pending in the D.C. Circuit Court of Appeals (filed May 14, 2020)(20-5136)
Status: Amicus brief filed on July 10; Case fully briefed and pending

This litigation, brought by 14 states (including California), the City of New York and the District of Columbia, is a challenge to the Trump Administration's amendments to SNAP rules. Under SNAP, Able-Bodied Adults Without Dependents" or "ABAWDs" may not receive SNAP benefits for more than three months in any 36-month period, unless they are employed or participate in a work or training program for at least 20 hours per week. However, prior to the recent amendments, states had discretion to seek a waiver to suspend the time limit for "any group of individuals in the State" if the area where those individuals live "has an unemployment rate of over 10 percent" or "does not have a sufficient number of jobs to provide employment for the individuals." The amendments challenged in this litigation eliminate State discretion and criteria regarding local economic conditions for waiving work requirements. The new rules were set to go into effect on April 1, 2020, but the district court issued a nationwide preliminary injunction, finding that USDA's actions in adopting the

rule changes were arbitrary and capricious. USDA has appealed. CSAC filed a brief in support of plaintiffs.

In re B.E. (Orange County Social Services Agency v. J.E.)
46 Cal.App.5th 932 (4th Dist. Div. 3 Mar. 23, 2020)(G058062), *petition for review pending* (filed May 28, 2020)(S262405)
Status: Petition for Review pending

Parents appealed a juvenile court order bypassing reunification services under Welfare and Institutions Code section 361.5, subdivision (b)(13), which allows for services to be bypassed when the parents have "a history of extensive, abusive, and chronic use of drugs or alcohol and [have] resisted prior court-ordered treatment for this problem during a three-year period immediately prior to the filing of the petition." On appeal, parents argued they did not resist within the meaning of section 361.5, subdivision (b)(13) since their respective drug relapses did not equal resisting court-ordered treatment. In an opinion that breaks with established case law, the Court of Appeal ruled the term "resist" in section 361.5, subdivision (b)(13) does not encompass passive resistance, meaning a relapse. In analyzing the other subdivisions, the court found relapse did not align with the other 'fruitless scenarios' such as a parent who cannot be found. "In other words, a relapsed parent is far from hopeless. It is decidedly not fruitless to offer services to a parent who genuinely made an effort to achieve sobriety but slipped up on the road to recovery." Orange County is seeking Supreme Court review, and CSAC has filed a letter in support.

In re C.P. (San Bernardino County Child and Family Services v. M.P.)
47 Cal.App.5th 17 (4th Dist. Div. 2 Mar. 26, 2020)(E072671), *petition for review pending* (filed May 27, 2020)(S261943)
Status: Petition for Review pending

C.P. was removed from his mother's custody and his grandparents sought placement. However, grandfather had a 1991 misdemeanor conviction for causing harm to a minor. Such a conviction is nonexemptible and disqualified the grandfather for placement. The juvenile court agreed with the County that such disqualification was an absolute statutory bar to placing C.P. with grandfather. On appeal, the court raised the issue whether the bar was constitutional as applied, finding "[a] permanent, irrebuttable statutory presumption regarding certain convictions—no matter what the underlying facts, no matter how long ago, and no matter the characteristics of the parent apart from the conviction—may not, consistent with the California State and United States Constitutions, absolutely disqualify an adult who shares a parental bond with a child from ever having that child placed in their care." The County is seeking Supreme Court review, and CSAC has filed a letter is support.

Jacks v. City of Santa Barbara
Pending in the Second Appellate District (filed Jan. 25, 2020)(B299297)
Status: Amicus Brief due on August 10, 2020

This is the remand of the California Supreme Court's 2017 decision in *Jacks v. Santa Barbara* for a determination of whether the City's franchise fee on Southern California Edison ("SCE") bears a "reasonable relationship" to the value of the rights-of-way the City franchise provides for the utility's use. The Supreme Court upheld against a

Prop. 26/218 challenge a "surcharge" on electric utility bills collected by SCE and passed through to the city for general revenue purposes pursuant to a franchise agreement, so long as the franchise fee did not exceed the reasonable value of the franchise. The Court remanded for that reasonableness determination. On remand, the trial court ruled in favor of the city, concluding that the result of the negotiations between the City and SCE was persuasive evidence that the franchise fee reflected the reasonable value of the franchise, and therefore was not a tax under Propositions 26 and 218. Plaintiff has appealed, and CSAC will file a brief in support of the city.

Petrovich Development Co. v. City of Sacramento
48 Cal.App.5th 963 (3rd Dist. Apr. 8, 2020)(C087283), *request for publication granted* (May 8, 2020), *request for depublication pending* (filed July 7, 2020)(S263208)
Status: Depublication request pending

The applicant for a gas station brought this action challenging City's denial of a conditional use permit, claiming due process violations based a city council member's bias. The trial court found evidence of bias and ordered a new hearing at which the council member should be recused. The Court of Appeal affirmed, holding that "a party must show either actual bias or show a situation in which 'experience teaches that the probability of actual bias on the part of the . . . decisionmaker is too high to be constitutionally tolerable.'" Here, that the council member lived adjacent to the neighborhood where the gas station was proposed, was a member of that neighborhood's association, and had been quoted as stating the gas station did not fit with the project as originally proposed were not the concrete facts needed. Rather, the Court held that the city council did not provide a fair hearing and was impermissibly biased because the member took a position on a conditional use permit prior to the hearing, communicated with city staff about his position, developed talking points, and initiated the motion to overturn the planning commission's prior decision. CSAC has asked the California Supreme Court to depublish the case, and that request is pending.

Prang v. Amen Family Trust
Pending in the Second Appellate District (filed July 2, 2019)(B298794)
Status: Amicus brief filed on July 20, 2020; Case is pending

This case involves the proper definition of Revenue and Taxation Code section 62(a)(2), known as the proportional ownership interest transfer exclusion. Generally, real property is reassessed upon a transfer. Section 62(a)(2) excludes transfers between legal entities that result solely in a change in the method of holding title. Here, real property was owned by a corporation run by two voting stockholders and three non-voting stockholders. The two voting stockholders formed a trust, and the property was transferred from the corporation to the trust. The trust asserted the transfer was excluded from reassessment under Section 62(a)(2) because non-voting stockholders do not control a corporation, so the resulting transfer was nothing more than a change in the method of holding title. The trial court agreed with the Assessor that the exclusion did not apply. On appeal, after the case was briefed, argued, and submitted, the Second District invited amicus letters from interested agencies and experts, including the State Board of Equalization and CSAC. CSAC's brief has been filed and the case is now pending.

Yellowstone Women's First Step House v. City of Costa Mesa
Pending in the Ninth Circuit Court of Appeals (filed Dec. 4, 2019)(19-56410)
Status: Amicus briefs are due on August 5, 2020

In 2014, the City adopted an Ordinance prohibiting sex offenders, violent felons and drug dealers from operating sober homes. The Ordinance also requires that such homes provide 24/7 supervision of clients, mandates a minimum 650-foot separation between facilities, and requires a special use permit in addition to compliance with single-family residential neighborhoods zoning requirements. Plaintiffs challenged the Ordinance, alleging it discriminates on the basis of disability in violation of the Fair Housing Act, the Americans with Disabilities Act, the Rehabilitation Act, the Civil Rights Act, California's Fair Employment and Housing Act and Government Code sections 11135 and 65008. A jury returned a verdict in favor of the City on all claims. Plaintiffs' motion for a judgment as a matter of law was denied, with the trial court concluding that the Ordinance's requirements were reasonable conditions that granted housing opportunities to disabled persons while preventing institutionalization and other negative living conditions for sober living home residents.

California State Association of Counties
2020 Calendar of Events – *REVISED 7.22.20*

JANUARY	
1	New Year's Day
16	CSAC Executive Committee Meeting | Sacramento
20	Martin Luther King, Jr. Day
29-31	CSAC Platinum Leadership Forum
FEBRUARY	
13	CSAC Board of Directors Meeting | Sacramento
17	Presidents Day
29 – Mar 4	NACo Legislative Conference | Washington D.C.
MARCH	
	N/A
APRIL	
16	CSAC Executive Committee Meeting | Teleconference
MAY	
20-29	Virtual Lobby Days
25	Memorial Day
28	CSAC Board of Directors Meeting | Teleconference
JUNE	
	N/A
JULY	
3	Independence Day
AUGUST	
6	CSAC Executive Committee Meeting | Teleconference
SEPTEMBER	
3	CSAC Board of Directors Meeting | Teleconference
7	Labor Day
OCTOBER	
7 – 9	CSAC Executive Committee Retreat | TBA
8	CSAC Executive Committee Meeting | TBA
12	Columbus Day
NOVEMBER	
11	Veterans Day
26	Thanksgiving Day
DECEMBER	
1 – 4	CSAC 126th Annual Meeting | Los Angeles County
3	CSAC Board of Directors Meeting | Los Angeles
16 – 18	CSAC Officers Retreat | Napa County
25	Christmas Day

California State Association of Counties
2020 Events - *Canceled or Postponed*

APRIL	
9	Spring Regional Meeting | Shasta County **(Postponed)**
MAY	
13-15	NACo WIR Conference | Mariposa County **(Tentatively Postponed)**
27-28	CSAC Legislative Conference | Sacramento **(Canceled)**
JUNE	
TBA	Summer Regional Meeting | Orange County **(Postponed)**
JULY	
17 – 20	NACo Annual Conference | Orange County, Orlando, Florida **(Canceled)**
SEPTEMBER	
TBA	Fall Regional Meeting **(Postponed)**