

CALIFORNIA STATE ASSOCIATION OF COUNTIES
BOARD OF DIRECTORS
September 9, 2010
CSAC Conference Center, Sacramento, CA

M I N U T E S

Presiding: Tony Oliveira, President

1. ROLL CALL

Alameda	Keith Carson	Placer	Jim Holmes
Alpine	Terry Woodrow	Plumas	absent
Amador	Louis Boitano	Riverside	John Tavaglione
Butte	Bill Connelly	Sacramento	Roger Dickinson
Calaveras	Merita Callaway	San Benito	Jaime De La Cruz
Colusa	absent	San Bernardino	Paul Biane
Contra Costa	absent	San Diego	Greg Cox
Del Norte	David Finigan	San Francisco	absent
El Dorado	Norma Santiago	San Joaquin	absent
Fresno	Henry Perea	San Luis Obispo	Bruce Gibson
Glenn	John Viegas (audio)	San Mateo	Rich Gordon
Humboldt	Mark Lovelace	Santa Barbara	Joni Gray
Imperial	Gary Wyatt	Santa Clara	Liz Kniss
Inyo	Susan Cash	Santa Cruz	Tony Campos (audio)
Kern	Jon McQuiston	Shasta	absent
Kings	Tony Oliveira	Sierra	absent
Lake	absent	Siskiyou	Jim Cook (audio)
Lassen	absent	Solano	Mike Reagan
Los Angeles	absent	Sonoma	Shirlee Zane
Madera	Ronn Dominici (audio)	Stanislaus	Vito Chiesa
Marin	Susan Adams	Sutter	absent
Mariposa	Lyle Turpin	Tehama	Robert Williams
Mendocino	Carre Brown (audio)	Trinity	absent
Merced	Hub Walsh (audio)	Tulare	absent
Modoc	Jeff Bullock	Tuolumne	Richard Pland
Mono	Duane Hazard	Ventura	Linda parks
Monterey	Fernando Armenta (audio)	Yolo	McGowan/Rexroad
Napa	Brad Wagenknecht	Yuba	Roger Abe
Nevada	Ted Owens	Advisors:	Mauriello (audio), Muranishi,
Orange	John Moorlach		Rudolph, Woodside

The presence of a quorum was noted.

2. APPROVAL OF MINUTES

The minutes of June 3, 2010 were corrected to reflect that the current President of the League of California Cities is named Robin Lowe, not Robin Wood as indicated on page 5.

Motion and second to approve the minutes of June 3, 2010 as corrected. Motion carried unanimously.

3. NOVEMBER 2010 BALLOT INITIATIVES

Proposition 19. The *Regulate, Control and Tax Cannabis Act of 2010* would legalize the personal consumption, cultivation, and sale of cannabis (marijuana) in California, and allow adults 21 and older to possess up to one ounce. The Act would authorize cities and counties to adopt ordinances to regulate the possession, transportation, cultivation, processing, and sale of marijuana, and to impose fees and taxes on it.

The initial staff recommendation was to 'oppose' Proposition 19. The CSAC Administration of Justice policy committee also voted to 'oppose' it. Given that the burden of regulation and implementation would fall to local governments, the policy committee was concerned about the extensive difficulties law enforcement would face due to likely disparate regulations among cities and counties. The Executive Committee also voted to 'oppose' the measure and expressed concerns about inconsistencies with the way the measure is written as well as legal questions.

Dale Sky Jones, Chancellor of Oaksterdam University, spoke in favor of Proposition 19. Cindy Bessemer of the Sacramento County District Attorney's Office spoke against Proposition 19.

A discussion ensued regarding the benefits of legalizing marijuana and the challenging regulatory and enforcement aspects.

Motion and second to 'Oppose' Proposition 19. Motion carried (33 in favor/12 opposed).

Proposition 21. The *State Parks and Wildlife Conservation Trust fund Act of 2010* would establish an \$18 annual state vehicle license surcharge for non-commercial vehicles and grant free admission to all state parks for surcharged vehicles. Funds from the surcharge would be placed in a trust fund dedicated specifically to state parks and wildlife conservation.

The initial staff recommendation on Proposition 21 was 'neutral'. The Agriculture & Natural Resources policy committee also voted to take a 'neutral' position. While there was general support for the state parks system, there was concern among the policy committee members that an \$18 surcharge on the VLF was too high a price for the average citizen. The Executive Committee was unable to reach a consensus during their meeting so the policy committee recommendation of a 'neutral' position was forwarded to the Board of Directors for consideration.

Trace Verardo-Torres of the California State Parks Foundation spoke in favor of Proposition 21 and David Wolfe of the Jarvis Taxpayers Association spoke against the measure.

Motion and second to take a 'Neutral' position on Proposition 21. Motion failed (22 in favor).

Motion and second to 'Oppose' Proposition 21. Motion failed (15 in favor).

Since CSAC policy states that 30 members of the Board of Directors must vote in favor of a position, the Board of Directors took no position on Proposition 21.

Proposition 23. This measure would suspend Assembly 32 until the unemployment rate in California is 5.5% or less for four consecutive calendar quarters. The measure also states that no state agency shall propose or adopt any regulation implementing AB 32 until the unemployment rate criteria is met.

The staff recommendation on Proposition 23 was 'Neutral.' The Agriculture & Natural Resources policy committee also voted to take a 'neutral' position on the initiative. Policy committee concerns included potential increased costs of regulations on small business owners and the intent to put the price of energy and interest of large corporations above the greater public health benefits of curbing pollution and reducing greenhouse gas emissions. The Executive Committee recommended an 'Oppose' position to the Board of Directors.

Supervisor Bill Connelly spoke in favor of Proposition 23 and Brandon Castillo spoke against the measure.

Motion and second to 'Oppose' Proposition 23. Motion failed (16 in favor).

Motion and second to take a 'Neutral' position on Proposition 23. Motion failed (14 in favor).

Motion and second to 'Support Proposition 23. Motion failed (16 in favor).

The Board of Directors took no position on Proposition 23.

Proposition 26. Stop Hidden Taxes. This measure would change the definition of "taxes" to include some charges that are now considered fees. In doing so, it would raise the hurdles to enact them at both the state and local level. The measure would also change the Constitutional language that specifies when a revenue measure requires a two-thirds legislative vote to pass.

The staff recommendation on Proposition 26 was to 'oppose.' The Government Finance & Operations policy committee also considered the initiative and recommended an 'oppose' position. Policy committee members expressed concerns about how the measure would "handcuff" counties further than Proposition 218 already has. Additionally, they were concerned with the effect the initiative would have on the state budget, since it would undo the recent gas tax swap and therefore create an extra \$1 billion hole in the General Fund. The Executive Committee also recommended an 'oppose' position.

David Wolfe of the Jarvis Taxpayers Association spoke in favor of Proposition 26 and Lenny Goldberg of the California Tax Reform Association spoke against the measure.

Motion and second to 'Oppose' Proposition 26. Motion carried (31 in favor).

4. CSAC REALIGNMENT WORKING GROUP PRINCIPLES

The CSAC Realignment Working Group, co-chaired by Supervisors Greg Cox and Helen Thomson, has been meeting since mid-June to develop a response to various discussions in the Legislature regarding realignment of "restructuring" of state and local program responsibility. The Senate Democrats unveiled a proposal which would transfer \$4 billion worth of program

responsibility to counties with the revenue to fund that transfer. The Realignment Working Group has focused on the Senate proposal.

Staff noted that the Senate Democrat's multi-year Government Restructuring Proposal currently only contains program restructuring of the criminal justice area. All other elements have been eliminated. Programs no longer proposed for realignment include: several alcohol and drug treatment programs, changes to cost-sharing ratios for various CalWORKS program components, as well as Adult Protective Services and other aging programs.

The Executive Committee took action to approve the 2010 CSAC Realignment Principles, as contained in the briefing materials, and recommended adoption by the Board of Directors.

Motion and second to adopt the 2010 CSAC Realignment Principles as presented.
Motion carried unanimously.

5. FEDERAL LANDS INTO TRUST UPDATE

Supervisor McGowan provided an update regarding CSAC's efforts related to the *Carcieri* decision and comprehensive fee-land into trust reform. Indian tribes organized after 1934 are seeking formal recognition from the U.S. Interior Department. Once recognized, tribes may seek new reservation land. The *Carcieri* "quick fix" has been attached to the House Appropriations spending bill by the Interior Subcommittee with the full Appropriations Committee expected to vote on the measure on September 13. CSAC is working with NACo to try to remove the *Carcieri* "quick fix" amendment from the spending bill. Board members were urged to contact members of the House Appropriations Committee.

6. STATE/FEDERAL BUDGET UPDATE

Staff reported that a "Big 5" meeting was held earlier this week, but there is still no deal regarding the State Budget. Staff also outlined proposed deferrals of state payments to counties currently estimated at \$700 million.

7. INFORMATION ITEMS

The briefing materials contained informational reports on the CSAC Institute for Excellence in County Government, Institute for Local Government (ILG), CSAC Finance Corporation, CSAC Litigation Coordination program, and the Corporate Associates program. Three new publications are now available from ILG. They are *A Local Official's Guide to Working with Clergy and Congregations*, *Understanding the Basics of Land Use and Planning*, and *Helping Families Find Affordable Children's Health Insurance*.

8. MISCELLANEOUS

President Oliveira announced that CalPERS has taken action to address concerns related to recent controversies surrounding public employee compensation. CalPERS established a task force which will focus on the following: ways to lessen the impact of excessive salaries on previous employers in the same liability risk pool; clarifying what types of compensation can be used to calculate retirement benefits; and creating more public disclosure of public employee compensation and benefits.

Mono County Counsel Marshall Rudolph was introduced as the new advisor to the CSAC Executive Committee and Board of Directors.

Meeting adjourned.