



## **CSAC 2012 STATE ADVOCACY PRIORITIES**

---

### **YEAR OF REFORM**

The 2011 legislative session set in motion monumental fiscal and policy shifts that have permanently altered the path of governance for California counties. The year began with a new governor committed to the devolution of government service from the state to the local level. Most notably, the 2011 realignment of public safety and health and human services shifted significant new responsibilities and populations that historically have been state provided services.

For the coming year, the Legislature and the Administration must come to the realization that counties no longer have capacity, fiscal or human, to continue to provide more with less. In addition, to address the perpetual fiscal crisis of California there has to be a balanced approach of multiple reforms and revenue enhancements. There will be at least a dozen initiatives on the November 2012 ballot asking Californians to determine what reforms and revenues they desire in shaping the changing governance model of California.

While there are many pressing legislative priorities for counties, none is as critical as securing constitutional protections necessary to make the 2011 realignment manageable and sustainable. Next year presents many challenges (election year, with multiple competing initiatives, roll-out of 2011 realignment, reforms, etc.). The political landscape has never been more complicated. CSAC needs to stay positioned to seize opportunities and minimize exposure as realignment and reform policies evolve over the course of the next year. CSAC has identified the following issues that will consume our advocacy efforts throughout the 2012 legislative session.

- **2011 Realignment:** Faced with a Supreme Court decision mandating the reduction of the state's prison population by 30,000, the Administration crafted a realignment of low level offenders to counties rather than releasing felons from state prison into the streets. The political calculus at the time was choosing between having hardened criminals released back into our communities without money or a realigned low level offender program with money. The Board of Directors opted to endorse a realignment package that included transferring program responsibility to the local level, with constitutional protections, flexibility in service delivery and extension of temporary taxes to fund the realigned programs. By the end of the legislative session, counties received a continuous appropriation for realigned programs. Significant work remains to achieve the other components primarily to protect counties from fiscal exposure and provide the ability to effectively manage new program responsibilities that reflect each counties' priorities.

Constitutional Protections: CSAC worked closely with the administration to craft SCA 1 X1 last year that would have provided fiscal protections to the 2011 realignment package. The measure lacked the sufficient number of votes to put it on the ballot. Last fall the Board of Directors

directed staff to pursue, as one option, a stand-alone constitutional amendment to effectively provide the same protections.

AB 109: The funding for the public safety component of the 2011 realignment is continuously appropriated however it only contained a one year allocation methodology. This was done intentionally as there were many unknowns related to new populations and program needs. The Chief Administrative Officers Association has designated representatives from urban, suburban and rural counties to revisit the methodology.

- **Pension Reform:** Pension reform discussions began in 2011 as part of negotiations on the state budget. In the absence of an agreement Governor Brown proposed a pension reform plan that would apply to all public employees, including county employees. Additionally, several initiative proposals have been filed with the Attorney General that will affect pension benefits for public employees. Further, a conference committee was convened to consider a comprehensive pension reform package. The conference committee met twice in 2011 and a final hearing is expected in early 2012 to finalize recommendations for the Legislature to consider. CSAC's review of the proposed initiatives and the Governor's proposal conclude that the issues of local control vs. statewide implementation of reforms and whether counties would support a shift from defined benefit pension plans to a hybrid model are the fundamental questions that counties will need to consider this upcoming year.
- **Regulatory Reform:** Although many state leaders have recently voiced support for regulatory reform, very little has been done to eliminate duplicative, inconsistent and outdated regulations. In fact, certain state agencies have proposed a series of new regulations and policies that are the antithesis of regulatory reform given the redundancy of their requirements and excessive costs associated with their implementation and compliance. Many of these proposed regulations and policies will detrimentally impact county operations and project delivery in addition to local economic development. Of particular concern are regulations concerning stormwater run-off; land use decisions and flood protection; on-site waste treatment systems; and, fees for fire protection in State Responsibility Areas.

As discussions ensue regarding ways to improve California's regulatory climate, remain committed to our longstanding policy direction to support environmental and economic cost-benefit evaluations of existing and proposed state regulations. We will also continue to communicate to the State regulatory bodies the practical ramifications of their proposals on county government.

## **STATE KEY ISSUES BY POLICY AREA**

### **Housing, Land Use and Transportation**

SB 375 Implementation: The first regional plan to reduce greenhouse gas emissions and link land use, housing and transportation investments was recently adopted by the San Diego region (SANDAG) as required by SB 375 (Chapter 728, Statutes of 2008). The Sacramento region (6 SACOG counties) and Southern California region (6 SCAG counties) plans are due next. There continues to be significant scrutiny of these plans beyond the statutory review by the Air Resources Board as prescribed by SB 375. We know that the State's Attorney General,

Governor's Office of Planning and Research, as well as a coalition of stakeholder's, have all weighed in on the SANDAG plan. Implementation has yet to begin. SB 375 was very carefully negotiated to retain regional flexibility and local control by elected officials that sit on the regional boards. CSAC will remain engaged in ensuring there is no erosion of this compromise and also support any necessary legislative changes to ensure successful implementation.

Housing Element Reform: The housing element remains the only local general plan element (and local plan for that matter) that requires a state department compliance determination. This body of law has been added to over several decades and contains very prescriptive requirements for cities and counties to follow with questionable outcomes. Further, the State Department of Housing (HCD) often times reaches beyond statute in their process of determining compliance with the law. In these tight fiscal times Governor Brown significantly reduced HCD's budget to review local housing elements. CSAC is working with other stakeholder's and the administration to develop an alternative to the current review process that would address the budget reduction and place HCD's role back in line with existing statute. With respect to land use and local discretion, this area of law remains one of the most contentious between locals and the state.

CEQA Reform: With tight budgets and increasing pressure to meet housing needs, the CSAC Board of Directors directed staff to sponsor legislation to provide counties with greater tools to proceed with affordable housing infill projects. Unfortunately, our attempt to pursue more flexibility under current statutory CEQA streamlining provisions was met with significant opposition from the environmental community. However, recent legislation, with support from the administration, has tasked OPR with developing guidelines for CEQA streamlining for infill projects. CSAC is participating on a working group to pursue potential CEQA reform related to this and other aspects of that law. Our goal remains a challenge as the environmental community has strong feelings that development should occur within cities and that any relaxation of CEQA should be restricted to cities, while also meeting the goal of reducing vehicle miles traveled.

## **Government Finance and Operations**

Pension Reform: At the end of the legislative session in 2011, the Legislature, in lieu of passing legislation addressing individual pension issues, convened a conference committee to consider a comprehensive pension reform package. The conference committee met at the end of October and heard testimony from employer and employee representatives about the status of pension reform negotiations and on December 1 to consider a proposal for pension reform released by Governor Brown on October 27. A final hearing of the conference committee is expected in early 2012 to finalize recommendations for legislation that could move forward in 2012. Additionally, throughout 2011 several initiatives were filed with the Attorney General. Based on the information we have, there are two critical issues that CSAC will need to consider in anticipation of future discussion and action on the Governor's proposal and/or the any qualifying ballot measures.

- Local control vs. statewide implementation of reforms. CSAC's first principle for pension reform is "Protect local control and flexibility". CSAC has held that a statewide mandated retirement system is neither appropriate nor practical, given the diversity of California's communities. The Legislative Analyst, in its response to the Governor's pension proposal, raised the question of whether some diminution in local control over retirement benefits is merited given the long-term nature of pension costs and the potential for competition among local and state employers to recruit and retain employees. This will be a key question for CSAC as well.

- Defined benefit vs. mandatory hybrid model. CSAC has supported providing local agencies the option to implement defined contribution retirement plans within both CalPERS and 1937 Act systems, as stand-alone benefits or hybrid systems. While the Governor's proposal is lacking sufficient detail to consider the merits of this particular hybrid plan, the threshold question of whether counties would support a shift from defined benefit pension plans to a hybrid model is the more fundamental question.

## **Agriculture and Natural Resources**

SB 5 Clean-Up Legislation (flood management/land use). SB 5 (Chapter 364) was one of a six-bill flood protection package signed into law in 2007. Viewed as the linchpin, SB 5, requires the State to adopt a Central Valley Flood Protection Plan by 2012, and requires cities and counties in the California Central Valley to achieve 200-year flood protection. Counties (and cities) within the Central Valley have expressed concerns with DWR's preliminary plans and process for implementing SB 5. Their concerns fall into three categories: (1) lack of useful data needed by local agencies to demonstrate a 200-year level of flood protection; (2) "unintended consequences" such as triggering 200-year protection for changes in uses requiring discretionary permits; and, (3) local agencies would have to depend on the completion of certain major "system-wide improvements" by the state and/or federal governments to achieve 200-year level of protection.

CSAC will work closely with Central Valley counties and other stakeholders to advocate for an extension of the SB 5 implementation dates and other necessary clean-up legislation.

### Renewable Energy Facility Siting Legislation/Regulation.

On April 12, 2011, Governor Jerry Brown signed legislation requiring the State to achieve a 33% renewables portfolio standard by December 31, 2020. The Governor's strong commitment to the 33% standard has translated into actions and statements that threaten the local land use approval process for siting certain renewable facilities. Speaking at a UCLA energy conference on July 25, 2011, Governor Brown stated that he wanted to centralize decision-making so that local officials aren't able to slow or block the development of renewable resources. He also indicated that his administration will "crush" efforts to block renewable energy projects in California, intervening in local disputes to overcome opposition. Given these statements by the Governor and pressure by some renewable energy project proponents, there is a strong likelihood that additional attempts to streamline the siting approval process will be pursued in 2012. While CSAC supports the development and use of alternative energy sources, we will oppose proposals that diminish and/or eliminate local government involvement in the renewable energy facility siting process.

Water Quality Regulations. The State Water Resources Control Board is actively considering no less than three storm water permit updates as well as a wetland area protection policy, and regulations affecting on-site waste treatment systems. CSAC has expressed concerns and in some cases opposition to all of these regulatory updates/proposals throughout their respective processes. Generally, our concerns with each have a reoccurring theme: significant costs associated with their implementation with no reliable funding source; would impose overly prescriptive standards/requirements; would be redundant of other state and federal requirements; and, as proposed would not achieve significant water quality benefits. The public comment process on new draft or final versions of the permits, policies and regulations will extend through next year. CSAC will continue to voice county

concerns with the various proposals via stakeholder and public processes. We will also work through other channels to ensure that the Water Board does not move forward with the permits, policies and regulations without making substantial changes to address the concerns of a wide array of stakeholders.

## **Administration of Justice**

Realignment: Implementation of the 2011 Criminal Justice Realignment will continue to be the main focus for Administration of Justice (AOJ) staff in 2012. Staff will continue to strengthen partnerships with local government stakeholders involved in this very important work. Further, staff will continue to participate in bi-weekly meetings with the Governor's Administration, the California State Sheriffs Association and the Chief Probation Officers of California regarding realignment implementation. These meetings continue to focus on counties' progress and challenges thus far in managing the new offender population at the local level, which include exploration of legislative changes that may be required in order to achieve more effective implementation.

Areas of ongoing policy discussion in 2012 include: creation of a county-level medical "probation" program for incapacitated jail inmates (similar to the medical parole policy adopted in SB 1399 (Leno) in 2009); finalizing the general terms and framework for state/county agreements related to use of fire camps and contracting back for state prison beds; and ensuring statutory authority is in place for counties' use of public community correctional facilities. In addition, other specific realignment areas that will receive significant attention during the next twelve months include the following:

- Funding allocation – Staff will continue to provide technical support and assistance to the County Administrative Officers' Realignment Allocation Committee (RAC) in its determination of a Year 2 funding formula for the criminal justice realignment portion (AB 109) of the realigned programs. This group is charged with developing a formula by March 2012.
- Court Security – Staff will continue to work with the Governor's Administration, the Administrative Office of the Courts, and the California State Sheriffs' Association on the implementation of court security reforms carried out in the 2011 realignment. Stakeholders continue to work on guiding principles to assist the courts, sheriff departments and counties as they work to implement the new funding construct.

Juvenile Justice: The Governor's 2012-13 Proposed Budget contemplates a revised juvenile justice reform proposal whereby the state would stop intake of juvenile offenders to the Division of Juvenile Justice (DJJ) facilities on January 1, 2013. After this date, all new commitments of youthful offenders to DJJ would cease. DJJ would continue to house those juvenile offenders who were placed with the state on or before January 1, 2013, but facilities would shut over time as the population phases out. In order for counties to prepare for this shift in responsibility, the budget proposes to provide \$10 million in planning funds to counties in the current year. The purpose of this funding is to give counties both the time and resources to develop appropriate placement and treatment options for this additional juvenile population. The funds will be distributed to counties under an as-yet undetermined methodology. Over the next several months CSAC will be working with the state and other stakeholders on this methodology and the overall juvenile justice reform proposal.

## **Health and Human Services**

Realignment: Implementing language, as well as fiscal structures, for the first phase of Governor Brown's realignment of state responsibility to counties must be developed in 2012. HHS staff will also focus on any "Phase 2" realignment proposals, which are expected to solely include health and human programs. HHS staff will also provide technical and program expertise for the advancement of constitutional protections in realignment for counties.

Emergency Medical Services: Staff has been closely involved with the stakeholder process for developing legislation that would streamline the local emergency medical services system (AB 1387 by Assembly Member Jose Solorio). HHS staff will continue to work closely with county supervisors, county counsels, county legislative coordinators, and members of the county caucus and associations to preserve and protect county EMS authority.

Federal Health Care Reform and Medicaid Waiver Implementation: The Affordable Care Act (ACA) must be fully implemented by January 2014, so 2012 is truly a year where the implementation planning and execution must take place. Almost all of California's counties are also establishing Low Income Health Programs (LIHPs), which are part of the 2010 federal Section 1115 Medicaid waiver. Many of the LIHPs will be operational in 2012. CSAC is not only working on the legislative and regulatory aspects of the ACA, including the establishment of the Exchange Board but is also actively pursuing partnerships to offer educational and training opportunities for counties.

Long-Term Care Integration: The Brown Administration is aggressively pursuing federal waivers to allow for the integration of long-term care through a mostly managed care model. Impacts on counties include changes in federal reimbursement for the In Home Supportive Services program and long-term care services. CSAC is working with the state and county stakeholders to develop workable solutions for restructuring service delivery and financing.



## **CSAC 2012 FEDERAL ADVOCACY PRIORITIES**

---

CSAC's contract for federal affairs services with Waterman and Associates provides for a nine-issue agenda. CSAC staff, in consultation with Waterman and Associates, developed the following list of eight federal issues of significance to California's counties, with one issue left in reserve to accommodate emerging topics.

### **New Authorization of the Nation's Surface Transportation Law (SAFETEA-LU)**

After months of stakeholder discussions, the Senate Environment and Public Works Committee in late 2011 approved legislation (S 1813) that would reauthorize the nation's surface transportation law (SAFETEA-LU). The bill, entitled *Moving Ahead for Progress in the 21st Century* (MAP-21), would reauthorize SAFETEA-LU for two years at current funding levels, plus inflation. The existing authority for federal transportation programs has been operating under a series of short-term extensions, the latest of which expires in March.

House transportation leaders are expected to unveil a five-year transportation bill early in 2012. The legislation will reportedly link new American energy production to investment in infrastructure projects. As of this writing, additional details of the House measure are unavailable.

For its part, CSAC continues to actively promote its transportation reauthorization agenda with key policymakers. Among other things, the association is recommending a more streamlined and flexible approach to allocating federal transportation funds to state, regional, and local agencies. CSAC also is promoting several environmental streamlining proposals such as a CEQA for NEPA reciprocity pilot program, as well as funding for a number of priority programs, including the Highway Bridge Program and the High Risk Rural Roads Program.

### **State Criminal Alien Assistance Program**

The State Criminal Alien Assistance Program (SCAAP) is a critically important budget item for many of California's counties. CSAC is one of the leading local government organizations in the fight to protect and enhance funding for SCAAP, which continues to be underfunded by Congress. CSAC will continue to advocate for maximum funding levels to offset the cost of housing undocumented criminals in county detention facilities.

Additionally, CSAC supports legislation (S 638) introduced by Senator Dianne Feinstein (D-CA) that would require the Department of Justice to reimburse local jurisdictions for incarceration costs associated with undocumented individuals who have been convicted **or** accused of a felony or two or more misdemeanors. The current statute is limited to allowing reimbursement only in cases in which an individual is actually convicted of such crimes.

### **Property Assessed Clean Energy Program/Renewable Energy Policy**

CSAC is urging Congress to approve legislation (HR 2599) that would restart stalled Property Assessed Clean Energy (PACE) programs in California and across the country. The bill – entitled the *PACE Protection Act of 2011* – would prevent federal housing regulators from adopting policies that contravene established state and local PACE laws, thus allowing counties and other local governments to once again offer the popular program. PACE programs create jobs, stimulate business growth, reduce greenhouse gas emissions, and add lasting value to residential and commercial properties without increasing risks of mortgage defaults.

On a related energy matter, CSAC is urging Congress to provide adequate funding for the Energy Efficiency and Conservation Block Grant, which provides resources to local governments for a variety of energy efficiency programs. Additionally, the association is promoting that the widest possible range of renewable energy sources – such as biomass, hydropower, and post-recycled municipal solid waste – qualify as resources to help California meet its renewable energy goals.

### **Native American Affairs**

In the wake of the U.S. Supreme Court's *Carcieri v. Salazar* decision, which limits the secretary of Interior's trust land acquisition authority to those tribes that were under federal jurisdiction at the time of the passage of the Indian Reorganization Act (IRA) of 1934, several members of Congress have aggressively promoted legislation that would overturn the Court's ruling. Under pending legislation (S 676/HR 1291/HR 1234), the secretary of Interior would be granted authority to take land into trust for all Indian tribes.

In response, CSAC has led a multi-state coalition of county government associations that opposes the aforementioned *Carcieri* bills. Known as "quick-fix" legislation, the bills would reverse *Carcieri* without providing for much-needed, long-overdue reforms in the fee-to-trust process. CSAC is actively advocating for its own trust reform bill, which includes modifications to the IRA that would require tribes to meet a set of heightened regulatory standards as a condition of the secretary of Interior approving trust land applications.

### **Temporary Assistance for Needy Families Reauthorization**

The Temporary Assistance for Needy Families (TANF) program is currently operating on a short-term extension, the latest of which runs through February 29, 2012.

The temporary continuation of the TANF program sets the stage for Congress to debate the scope of the next multi-year bill in 2012. With the nation's economy continuing to struggle and unemployment rates still high, policymakers are looking at recent trends in welfare rolls and poverty figures as they consider options for reauthorizing TANF.

Congress – as well as previously issued regulations – placed additional administrative burdens on the TANF program. Many of those requirements had the effect of changing the focus on following federally imposed processes to the detriment of moving families into self-sufficiency.

CSAC is urging Congress to restore state and county flexibility to tailor work and family stabilization activities to families' individual needs. CSAC also supports maintaining the focus on work activities under TANF, while recognizing that "work first" does not mean "work only."

### **Secure Rural Schools Reauthorization**

In 2011, House Republicans unveiled a draft Secure Rural Schools and Community Self-Determination Act (SRS) reauthorization bill that would substantially alter the way that SRS payments are made. Under the measure, the Secretary of Agriculture would be required to act as trustee to carry out various projects – which could include timber sales, issuance of special permits, etc. – to meet an annual revenue requirement (ARR) on each unit of the National Forest System. From the ARR, 75 percent of revenues would be shared with counties, 20 percent would go to the Forest Service, and five percent would be directed to the federal Treasury.

The House measure also would provide a transition period to temporarily continue SRS payments to counties and schools. Details of the transition period and how much would be authorized for payments have yet to be determined. GOP leaders from the Natural Resources Committee are expected to formally introduce their proposal early in 2012.



Originally passed and signed into law in 2000, SRS represents a contract between the federal government and more than 700 rural counties and school districts that have historically depended on revenues from timber harvests on federal lands in their jurisdictions. These rural communities and schools have relied upon a share of the national forest receipts program to supplement local funding for education services and roads. The most recent act expired on September 30, 2011, with final payments distributed in January of 2012.

CSAC is advocating for a long-term reauthorization of SRS supported by adequate funding.

### **Clean Water Act**

The Clean Water Act (CWA) and subsequent amendments have positively impacted the health of the nation's rivers and streams. At the same time, however, the CWA has created a host of unintended consequences. One such unintentional result of the Act is the continued inability of counties and other local entities to properly maintain flood protection facilities and drainage ditches.

Pursuant to Section 404 of the CWA, the Secretary of the Army Corps of Engineers may issue permits for the discharge of dredged or fill material into navigable waters of the United States and exempts certain activities from the permitting process. Although the Act appears to explicitly exempt maintenance activities of currently serviceable flood control facilities from permitting requirements, the Corps has not interpreted the law in this manner. As a result, virtually all routine maintenance of flood protection facilities and drainage ditches are subject to 404 permits, which has caused significant backlogs in the Corps' permit processing times and ultimately thwarted local agencies from performing routine maintenance in a timely manner.

Working closely with CSAC, Congressman Gary Miller (R-CA) introduced in 2011 legislation that would provide a narrow permitting exemption for maintenance removal of sediment, debris, and vegetation from flood control channels and basins. Several members of the California congressional delegation have signed on as original cosponsors of the bill.

### **Levee Vegetation Management**

CSAC supports modification to the Army Corps of Engineers' policy on vegetation management of Corps built flood control facilities that: considers regional variation across the nation; includes an exemption provision where appropriate; conforms to other federal and state laws; and, includes local government in a transparent and collaborative process.

The Corps released in late 2011 its System-Wide Improvement Framework (SWIF) policy for levee systems. The policy provides levee sponsors with a process to transition their levees over time to Corps' standards while remaining eligible for federal rehabilitation funding under Public Law 84-99. It should be noted that the policy allows deficiencies – which may include vegetation – to be addressed on a “worst first” basis as part of a larger system-wide plan.

According to the Corps, the SWIF process may complement the vegetation variance request process as a means for a levee sponsor to address levee deficiencies. If required, a vegetation variance request can be part of the SWIF process.

CSAC and other key stakeholders are reviewing the SWIF and will continue to actively pursue modifications to the Corps' levee vegetation process, where appropriate.

## **CSAC INTERNAL MONITORING**

*In addition, CSAC will continue to provide internal monitoring on a number of issues that are of significance to California's counties.*

### **National Health Care Reform**

The landmark *Patient Protection and Affordable Care Act* requires states to implement many of its major provisions by 2014. California's counties will play a key role in the implementation of the law over the next two years and must monitor and participate in the rulemaking and regulatory process at the federal level to help achieve a workable framework to provide health care to all Californians.

### **Transient Occupancy Tax**

CSAC will work to ensure counties' continued authority to assess and collect transient occupancy taxes on the full rate paid by the consumer for all appropriate transient lodging, regardless of whether the consumer pays through a hotel or any other vendor.

### **Federal Geothermal Royalties**

The Geothermal Steam Act of 1970 specifies a formula for the distribution of geothermal revenues to federal, state, and county governments. Under the formula, the federal government retains 25 percent of the revenue, the States receive 50 percent, and county governments receive 25 percent. Several recent attempts have been made to permanently repeal the sharing of geothermal revenues with counties. Given the importance of these revenues to the affected counties, CSAC opposes any legislation that would discontinue geothermal royalty payments to county governments.

### **Community Development Block Grant**

The fiscal year 2012 budget includes \$2.95 billion for the Community Development Block Grant (CDBG) program. The current level of funding is close to a \$400 million reduction from fiscal year 2011.

CDBG, as well as many other discretionary spending programs, sustained cuts in the fiscal year 2012 budget as a result of the continued focus on deficit reduction. CSAC, along with other county and city government partners, are calling on Congress to restore funding for the CDBG program to allow localities to continue to provide a wide variety of economic and community development activities, such as home rehabilitation loans, public works and infrastructure projects, and various youth-related services.

### **Child Welfare Financing Reform**

As part of TANF reauthorization, Congress may consider legislation to reform the child welfare financing system, as well as provide additional resources to stabilize families and train and retain child welfare staff. CSAC supports additional programmatic flexibility, along with an updated foster care payment methodology.

### **Byrne Grant Funding**

The fiscal year 2012 budget provides \$470 million for the Byrne Memorial Justice Assistance Grant (JAG) program. CSAC strongly supports prioritizing Byrne funding in the annual appropriations process and will continue to work collaboratively with our congressional delegation and others to secure and promote increased funding for the program and the positive local outcomes it helps achieve.

## **Cooperative Endangered Species Conservation Fund**

CSAC supports increased funding for the U.S. Fish and Wildlife Service's Cooperative Endangered Species Conservation Fund (CESCF). The CESCF is currently funded at \$47 million in fiscal year 2012, a cut of roughly \$12 million from the previous fiscal year, and down nearly 50 percent from fiscal year 2010 levels. Funding should be restored to help provide much needed support to regional Habitat Conservation Plans (HCPs) in California and nationally.

### **2-1-1 Statewide**

CSAC has actively supported both state and federal legislation to help build and fund a statewide 2-1-1 referral system. 2-1-1 is a free, easy-to-remember telephone number that connects people to essential community information and services. In 2009, over 1.6 million Californians called 2-1-1 to find needed community services such as rent and mortgage assistance, food and shelter, health care, job training, transportation, child care, and senior care. 2-1-1 also plays an informational role during emergencies and disasters and relieves pressure on the 9-1-1 system at these critical times. The value of this service was evident during the 2007 San Diego wildfires when 2-1-1 call centers provided information and support to more than 130,000 callers in five days.

Currently, just 27 of California's 58 counties have 2-1-1 service covering 92 percent of the population. CSAC will continue to work at both the state and federal levels to promote the need for a comprehensive statewide 2-1-1 system.

### **State's Water Crisis**

California's political leaders and various state and local water interests continue to pressure California's congressional delegation and the Obama administration to address the state's chronic water shortage. A wide range of proposals are being discussed that would address water transfers, endangered species laws, water quality and California Bay-Delta protections, to name a few. CSAC will monitor these proposals to ensure consistency with the organization's comprehensive policy direction on water.

### **Payments-in-lieu-of-Taxes**

Pursuant to PL 110-343, all counties are receiving 100 percent of authorized Payments-in-lieu-of-Taxes (PILT) payments in fiscal years 2008 through 2012. Prior to fiscal year 2008, PILT payments were subject to the annual appropriations process. CSAC will support efforts to convert the temporary mandatory spending into a permanent feature of the PILT program.

### **Farm Bill Reauthorization**

CSAC will continue to monitor congressional efforts to reauthorize the federal Farm Bill, including provisions affecting the Supplemental Nutrition Assistance Program (SNAP), rural development programs, and renewable energy development. Congressional authorizing committees are expected to hold hearings and consider a new Farm Bill sometime in 2012.

### **Waters of the U.S.**

In 2011, the Obama administration announced that it was updating draft guidance on the scope of waters that would be regulated under the Clean Water Act (CWA). According to EPA, the number of waters identified as protected by the CWA under the revised "Waters of the U.S." guidance will increase compared to current practice. The expansion of federal jurisdictional authority over state and local waters has elicited concern from state and local resource agencies, as well as federal lawmakers.

CSAC, joined by other key state and local stakeholders, have provided substantive comments to EPA and the Army Corps of Engineers regarding the draft guidance. EPA has indicated that it will undertake a formal rulemaking process in 2012. At the same time, congressional efforts to block EPA's administrative actions are expected to continue.

### **FEMA Mapping**

FEMA has launched a five year national Map Modernization Plan to update the nation's flood hazard maps. Once the new maps become effective, all new structures in the FEMA floodplain will be required to adhere to heightened land use and control measures. Properties mapped into the Special Flood Hazard Area (SFHA) and backed by a federally-insured mortgage will be required to carry flood insurance.

Additionally, Congress is considering a long-term reauthorization of the National Flood Insurance Program (NFIP). Legislative proposals in both houses of Congress would require some form of mapping of areas of residual risk. The Senate bill, however, would require residual risk areas to be included within a "special flood hazard area" and require the price of flood insurance policies in areas of residual risk to accurately reflect the level of flood protection provided, regardless of the certification status of the flood control structure.

CSAC opposes efforts that would mandate federal flood insurance coverage for homeowners and business that are protected by properly constructed and maintained flood protection structures. Additionally, CSAC supports a transparent and fiscally reasonable process by which counties and residents can revise and amend FEMA's Flood Insurance Rate Maps. CSAC also supports federal efforts to enhance flood hazard mapping outreach and technical assistance to local communities.

### **Pension Tier Changes – Conflict with IRS Requirements**

The rising cost of public employee pension plans is a growing concern for California's counties. A number of counties have proposed their own local solutions, such as allowing current employees to elect lower pension benefits with lower retirement contributions, but Internal Revenue Service (IRS) rules are an obstacle to these reforms. Under a 2006 IRS ruling, allowing current county employees to elect lower pension benefits may force all county employees to have to pay taxes on their retirement deductions – whether they switch plans or not.

CSAC supports bipartisan legislation (HR 2934) introduced by Representative Loretta Sanchez (D-CA) that would revise the IRS ruling so that local governments can propose and implement their own local plans, without severe consequences.