



## **Policy Priorities for 2019**

### **California State Association of Counties**

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County policy concerns are most often centered on resources to carry out state and local service responsibilities, the authority to carry out those responsibilities in local communities, and partnership with the state to improve existing programs.

Those concerns pose challenges and opportunities in the seven policy issues that CSAC is prioritizing for 2019: wildfires and other disasters, housing and homelessness, In-Home Supportive Services, behavioral health, the 2020 U.S. Census, bail reform, and local governance and land use authority.

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#### **Wildfires and Other Disasters**

Counties need the state's assistance to respond to the recent catastrophic wildfires, mudslides, and other disasters, and to prepare for the future disasters we know await us.

CSAC will advocate for disaster recovery funding, that addresses tax backfills, debris removal, resiliency, forest health, and economic assistance. Funding should take the form of direct subventions, exemptions from matching requirements, and county eligibility for cap and trade and other grant funds. CSAC will also work with the state and federal government to improve forest management and emergency communications systems.

#### **Housing and Homelessness**

The affordability and availability of housing is at crisis levels in almost every part of the state. The housing issue is not only a crisis in its own right, but also a main driver of California's homelessness emergency.

CSAC will advocate for funding for affordable housing, including new state funding for construction of homes affordable to households at all income levels. CSAC will continue to focus on implementation of recent housing legislation, including allocation of recently approved bonds, as well as full implementation of new homelessness programs, such as No Place Like Home. CSAC will also advocate for flexibility in the use of existing homelessness funding, so counties can address local needs without unnecessary restrictions.

#### **In-Home Supportive Services**

A significant and growing gap between IHSS program costs and available revenues will have increasing impacts on county budgets and other realignment-funded programs, including public health and behavioral health.

CSAC will advocate for a long-term solution to IHSS cost pressures by leading the effort to reopen the MOE deal that splits funding requirements between the state and counties. In addition, CSAC will continue working with the new Administration and counties on implementation efforts including allocation of offsetting revenue, MOE adjustments, and other provisions.



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#### **Behavioral Health**

County behavioral health services remain central to many of the most difficult policy issues for counties, such as homelessness, housing, and justice system recidivism and diversion, making it the focus of efforts by the federal government, the California Department of Health Care Services, and the Legislature.

CSAC will advocate for a sensible balance between state expectations and local authority for Medi-Cal Specialty Mental Health Services and the Mental Health Services Act, and the movement to integrate behavioral health into the broader health care system. CSAC will also advocate for a fair process for allocating a potential \$180 million federal recoupment of erroneous mental health billing and transparency at the county level.

#### **2020 Census**

A complete count of all California residents will help to maintain federal funding levels for a wide variety of programs and Congressional representation, as well as assisting with accurate local redistricting.

CSAC will work with the state and federal governments to ensure promised census funding and supporting resources are disbursed to counties. CSAC will also disperse information and coordinate efforts so counties have the tools they need to implement their complete count efforts.

#### **Bail Reform**

Last year's SB 10 ended cash bail and moved California to a new pre-trial system. However, this policy is tied up in a referendum effort and ongoing litigation and negotiation. Counties, their jails, and their sworn officers will play an important role in any replacement system.

CSAC will advocate for funding for any new or revised responsibilities, including the assessment and supervision of people charged with crimes. CSAC will also champion county interests in any follow-up legislation related to bail reform.

#### **Local Governance and Land Use Authority**

From county governance and contracting to housing development, fire safety, and the siting of county facilities, the state has increasingly been interested in revisiting the power of communities to make their own decisions.

CSAC will advocate for the appropriate balance between statewide concerns and local authority. For county governance decisions, such as the makeup of the Board of Supervisors and other county offices, the full authority should remain with the people who live in the community. For other issues, such as fire safety and housing development, the state's reasonable interests must be appropriately balanced with local circumstances.



## Major Policy Issues for 2019

### California State Association of Counties

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Each year, CSAC's Board of Directors sets the Association's state and federal advocacy priorities. These priorities, adopted with the input of policy committees, the CSAC Officers, the Executive Committee, and our affiliates, will guide CSAC's advocacy efforts in 2019 both in Sacramento and Washington DC.

As we begin 2019 with a new Governor and Democratic supermajorities in the State Assembly and Senate, we look for opportunities to partner on the diverse issues facing California, from homelessness to emergency preparedness.

CSAC advocates on a multitude of issues each year, but the following 2019 state and federal priorities and major issues are expected to be in the spotlight in 2019.

#### Principles

**Funding.** County service responsibilities continue to grow, some imposed by state and federal programs and others to deal with local aspects of statewide problems. While the state's fiscal health is unprecedented, most counties' general funds are still struggling to return to pre-recession levels. The state should help fund the public services that are carried out by counties to achieve statewide goals.

**Authority.** The benefit of local governance is the ability to shape services so that they fit the needs, resources, and other circumstances of California's diverse communities. Counties are uniquely suited to provide services to every Californian in a way that fits their community. The state should give counties more flexibility to take full advantage of their position as local providers of statewide programs, and at the same time allow counties full authority over their own local programs and governance.

**Partnership.** To an extent seen in few other states, counties in California are the level of government that provides federal and state programs to residents. County expertise with these programs and services is a resource for state policy makers as they consider whether and how to change those programs.

#### Major Policy Issues by Area

##### Agriculture, Environment, and Natural Resources

- Disaster Response
- Climate and Resiliency Funding
- Land Use, Resiliency, Emergency Management
- Water Resources and Regulatory Issues

##### Health and Human Services

- In-Home Supportive Services
- Homelessness and Poverty Issues
- Behavioral Health Improvement

##### Government Finance and Administration

- Disaster Recovery Assistance
- 2020 U.S. Census Resources
- Preserving County Governance Authority
- Economic Development Tools
- Collaboration with Employee Representatives

##### Administration of Justice

- Bail Reform
- Trial Court Security
- Mental Health Diversion
- Implementation of the Domestic Violence Batterer Intervention Programs Legislation
- Juvenile Hall Repurposing

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

- Protect Local Land Use Authority While Promoting Housing Affordability
- Protect State Transportation Funding
- Prepare for the Future of Transportation
- Cap and Trade Implementation
- Renegotiated Gaming Compacts

## Agriculture, Environment, and Natural Resources

**Climate and Resiliency Funding.** With the passage of SB 901 (Dodd, 2018), the State will spend \$1 billion from Cap and Trade revenues over the next five years on fire prevention, forest health, and resiliency and related projects. CSAC will work to influence the allocation of these funds, advocating for county eligibility for a variety of purposes, including local tree mortality assistance, forest health projects, defensible space initiatives and other programs of local significance. With the implementation of SB 833 (McGuire, 2018), CSAC will work to advocate for funds to assist with emergency alert systems, including the deployment of WEA technology and funding for a statewide 211 program that includes non-alert, emergency and disaster preparedness and response information. In addition, CSAC will work to explore additional opportunities for funding of pre-hazard mitigation and resiliency funding at both the state and federal level. Finally, CSAC will continue to focus on other funding opportunities within the state's cap and trade program for greenhouse gas (GHG) emissions reductions and adaptation work help prepare counties protect against and prepare for our changing climate.

**Disaster Response.** Devastating fires continued throughout 2018, with catastrophic wildland and urban interface events in Shasta, Butte, Mendocino, Ventura, Los Angeles and elsewhere. CSAC will prioritize funding and resources to help counties begin and continue the recovery process from these tragic events. The AENR team will work with the Government, Finance and Administration team to engage the new Administration and negotiate an adequate fiscal relief package for counties impacted by fires, including backfill of lost property tax revenue, help with debris removal and additional economic assistance.

**Land Use, Resiliency, and Emergency Management.** In the aftermath of the legislative debate on fire impacts and liability, we anticipate the Legislature and outside stakeholder groups to continue to focus on the connection between fire prevention and local land use issues. Working with the CSAC Housing, Land Use and Transportation policy unit, the AENR team will engage stakeholders and collect data to inform the difficult policy discussion of competing

pressures for development and housing while maintaining safe and sustainable communities. This topic will cover issues ranging from rural housing elements, high fire severity zone mapping, defensible space and local fire prevention initiatives, access to insurance, among other topics. In addition, CSAC will continue to staff and facilitate the work of the CSAC Resiliency Advisory Board to inform these discussions and provide ongoing education and outreach to county officials.

**Cannabis.** The state will begin in earnest to issue Annual and Provisional Annual licenses for commercial cannabis activity in 2019. This also initiates the state's track and trace system, and the tracking and collection of commercial cannabis data from "seed to sale." CSAC will continue to provide outreach and assistance to counties as they develop and implement local cannabis regulatory ordinances. In addition, CSAC will work with state regulatory agencies to ensure for a coordinated dual-licensing system. CSAC will work with other local government stakeholders to address the issue of cannabis deliveries into jurisdictions that have bans in place, and work to create a system that will ensure for appropriate tax remittance, should the final proposed draft regulations take effect without change. In addition, CSAC will continue to support the work of the California Cannabis Authority to manage a statewide data platform that provides local regulators with accurate, real-time regulatory and compliance data to help ensure for a safe and well-regulated cannabis marketplace in California.

**Water Resources and Regulatory Issues.** Several significant water proposals failed to pass both the Legislature and voters in 2018, including the failed passage of an \$8 billion water bond on the November ballot, and the failure of SB 623 (Monning), a measure that would have created a sustainable funding source for contaminated drinking water systems, referenced above. CSAC will work with stakeholder groups and the Legislature to reformulate approaches to funding water projects in California while also focusing on outreach and education to inform the public of the

importance of ongoing funding for a variety of water needs, including clean drinking water, stormwater and other programs. In addition, staff will continue to focus on the implementation of several key water issues, including the Sustainable Groundwater Management Act (SGMA), the passage of SB 231 (Hertzberg) and the development of additional stormwater funding tools, and ongoing negotiations about water quality funding and conservation issues.

CSAC will continue to engage Cal Recycle and the waste management stakeholder community on the implementation of SB 1383 (Lara, 2016), and the development of regulations that will require a 50 percent reduction of organic waste by 2020 and a 75 percent reduction by 2025. Funding and the development of infrastructure capable of processing organics will be key elements of this discussion and the focus of CSAC's advocacy efforts. In addition, CSAC will work with Cal Recycle and the Legislature to work towards solutions for the development of additional markets for recyclable materials. This is a critical issue as the

overseas markets have almost been eliminated due to a recent Chinese policy, known as "National Sword." This new policy will significantly limit the import of US recyclables, leaving California with limited options for processing these materials in domestic markets.

With respect to other ongoing regulatory issues, CSAC will continue to participate in the Forest Management Task Force to help implement both the executive order in Forest Resiliency and the California Forest Carbon Plan. The Forest Management Task Force is a successor to the Governor's Tree Mortality Task Force of which CSAC was a member. CSAC will work with the state and local governments to help meet the new renewable energy targets set forth in SB 100 (De Leon, 2018), and support the development of Community Choice Aggregation (CCA) to help fulfill these goals. In addition, CSAC will continue to advocate for ongoing funding of Payment-In-Lieu of Taxes (PILT) payments to counties and any potential for the reinstatement of the Williamson Act subvention program.

## Health and Human Services

**In-Home Supportive Services.** In 2019, CSAC's sustained commitment to navigating the impacts of the increasing In-Home Supportive Services (IHSS) program costs will shift toward seeking a more feasible long-term solution to the IHSS cost pressures. CSAC secured a reopener provision in the 2017-18 budget legislation that established the new IHSS Maintenance of Effort (MOE) that requires the Department of Finance to issue a report examining this new IHSS fiscal structure during the development of the 2019-20 budget. There is a significant and growing gap between IHSS program costs and available revenues, and the impacts of the MOE on other Realignment-funded programs are growing. The priority for 2019 will be leading the effort to reopen the MOE deal and developing fiscal solutions to ensure long-term sustainability for counties to administer IHSS and other realigned programs on behalf of the state. In addition, CSAC will continue working with a new Administration on allocation of offsetting revenue, MOE adjustments, and other provisions.

Finally, CSAC will continue to partner with counties and other stakeholders on implementation and education efforts.

**Homelessness and Poverty Issues.** Homelessness issues remain at the top of the county agenda and CSAC will continue to leverage the policy expertise of the health and human services, housing and land use, and administration of justice policy committees and staff to implement homelessness funding programs from 2018. CSAC will also continue to identify and solicit new opportunities to assist counties in combatting homelessness, including incentivizing all types of affordable housing – whether it is transitional shelters, permanent supportive housing, sober living environments, and the full spectrum of housing in between. CSAC will also continue to advocate for funding and flexibility at the local level to help meet the unique needs of those who are homeless or at risk of homelessness in each community.

**Behavioral Health Issues.** County Behavioral Health will continue to be a focus of the federal government, state Department of Health Care Services, and the Legislature in 2019, and remains the linchpin in many of the most difficult policy issues for counties, such as homelessness, housing, and justice system recidivism and diversion. The spotlight on Mental Health Services Act funding and a potential \$180 million federal recoupment of

erroneous mental health billing will require strong advocacy by counties. Furthermore, the state's interest in integrating behavioral health services into the health care system requires close monitoring and coalition-building. CSAC will continue to engage on behalf of all counties on behavioral health funding, services, and legislative proposals in 2019.

### **Government, Finance and Administration**

**Disaster Recovery Assistance.** CSAC will work with the Administration and the Legislature to partner on solutions this year that will make California more resilient against the impacts of natural disasters and climate change, including modernizing our forest practices, protecting infrastructure, and enhancing emergency communications systems. This also includes securing property tax backfill for counties impacted by the latest slate of wildfires and those that continue to feel the impacts one year later. In some instances these counties are one in the same.

**Census Resources for a Full and Complete Count.** The decennial census is of critical importance to county programs and funding – over \$11 billion in direct allocations plus additional state subventions. In the coming census California faces unique challenges due to the large percentage of “hard to count” communities – or populations that historically have been undercounted. In addition, the heavy reliance on digital data collection could create hurdles for rural areas or individuals lacking online access. CSAC will act as a communications conduit between state and local agencies, disseminate timely information from regional and statewide stakeholder groups including those representing community based organizations, provide platforms for peer to peer sharing between counties and best practices, and advocate for adequate resources, including financial support.

**Preserving County Governance Authority.** This priority speaks to a core tenet of CSAC as an organization. Several bills have directly challenged county authority and sought to weaken Boards of Supervisors' discretion and decision-making power

on behalf of their constituents, such as AB 1250 (2017) related to establishing contracts with service providers. Charter county models have also been called into question. CSAC will advocate for protecting Board authority for budget approval, redistricting, and rights granted through charter adoption and amendments; and protect existing mechanisms that reflect local voter will for changes to the board size, district boundaries, or funding levels for local service needs.

**Economic Development Tools.** Many economic development tools, including the former redevelopment agencies, relied heavily on property tax increment financing. Newer proposals continue to rely on this resource with varying degrees of accountability and oversight. Other state and federal tax credits and incentives to grow and attract business interests may prove helpful with further refinement. Governor-elect Newsom's extensive interest in this policy area, particularly to assist with housing, will mean counties will need to be active partners to ensure local interests are not overwhelmed by statewide goals.

**Collaboration with Employee Representatives.** CSAC will fully engage again this upcoming year to ensure that counties as employers maintain the ability to effectively manage their workforces while also maintaining the highly valued benefits provided to their employees. Furthermore, CSAC will continue to find partnerships as appropriate with labor union advocates where collaboratively on several issues including most recently property tax revenue protection, including those from Redevelopment 2.0 and the real estate industry threats, and the In-Home Supportive Services MOE.

## Administration of Justice

**Bail Reform.** The California Money Bail Reform Act was signed into law in August of this year. This legislation provides for the establishment of a new pretrial release system that includes pretrial assessment services provided by courts or public agencies, such as county probation departments. Counties will have the option to contract with the Judicial Council to perform this function. This new law will become effective October 1, 2019 and changes the current money bail system to a risk-based system. There is a referendum pending and, if the referendum qualifies, it will delay implementation until 2020. CSAC will work closely with the Administration, Judicial Council and the Chief Probation Officers California to help ensure that counties have the funding necessary for planning, should a county chose to contract with Judicial Council to handle the pre-trial assessments and supervision.

**Trial Court Security.** Trial Court Security was realigned to the counties as part of 2011 Realignment. The amount of funding that was provided to the counties has not kept up with increased personnel and security costs. As such, a number of counties are either in litigation or on the cusp of litigation with their local courts. CSAC will work to make Trial Court Security more functional.

**Mental Health Diversion.** Assembly Bill 1810 (Chapter 34, Statutes of 2018) was signed into law last session. This bill created a new diversion program for mentally ill offenders provided certain requirements are met, including the availability of a treatment program for the offender. There were a number of concerns raised by counties about the fact that the program applied to all offenses, as well as concerns about the procedural aspects of

the program. SB 215 (Chapter 1005, Statutes of 2018) helped to remedy a number of these concerns. Specifically, the bill excludes certain violent offenses from the diversion program (including murder and sex offenses), preserves victim restitution, and allows the court to require the defendant to make a prima facie showing that the defendant will meet the minimum requirements of eligibility for diversion and that the defendant and the offense are suitable for diversion. CSAC worked with Senator Beall's office and supported this measure. CSAC will continue to work with the legislature to make this program workable for the counties.

**Implementation of Domestic Violence Batterer Intervention Programs.** AB 372 (Chapter 290, Statutes of 2018) was sponsored by CSAC and authorizes a pilot program that allows the counties of Napa, Santa Barbara, San Luis Obispo, Santa Clara, Santa Cruz, and Yolo to offer an alternative to the batterer's intervention treatment program. The pilots will serve as the first step in assessing whether alternative approaches are more effective in addressing the criminogenic needs of batterers and reducing recidivism. CSAC will facilitate the discussion of the implementation of AB 372 by providing research and guidance to the six counties to better assess the needs of domestic violence offenders.

**Juvenile Hall Repurposing.** Juvenile justice in California has undergone a variety of reforms in the past decade. These reforms have led to a lower juvenile offender population and an increase in the number of vacant beds in local juvenile detention facilities. CSAC will work with stakeholders to look at long term solutions for utilization—of these vacant beds.

## Housing, Land Use, and Transportation

**Protect Local Land Use Authority while Promoting Housing Affordability.** With housing affordability and the related homelessness crisis poised to once again be a high-priority issue in 2019, CSAC will continue to advocate for an appropriate balance between legitimate statewide goals for housing production and affordability and appropriate

discretion for local communities in implementing these policies through locally-driven plans. Initial housing funding from the 2017 housing package is beginning to roll out to counties, as the Department of Housing and Community Development has issued draft guidelines for planning grants and homelessness funding from SB 2 (Atkins, 2017),

which is expected to raise approximately \$250 million annually. In 2019 and beyond, counties and cities will receive seventy-percent of this funding to support local affordable housing. In addition, voters approved Proposition 1, a \$4 billion statewide housing bond, on the November General Election ballot, so CSAC will focus on implementation and maximizing opportunities for counties to secure funding for local housing priorities in 2019. While Proposition 1 and SB 2 funding will go a long way to addressing California's backlog of homes affordable to households at all income levels, CSAC will also work with partners in 2019 to expand the ability of the state and local government to meet the need for affordable homes.

Finally, housing-related issues continue to cross over with multiple other policy areas within CSAC. The Housing, Land Use and Transportation policy unit will continue coordinating and collaborating with the Health and Human Services policy unit on interactions between housing and homelessness; with the Agriculture, Environment and Natural Resources policy committee on the relationship between land use and housing with resiliency and disaster recovery; and with the Government, Finance and Administration policy team on the connections between housing and economic development tools for local government.

**Protect State Transportation Funding.** If legislation introduced in 2018 is any indication of what may come in 2019, counties and transportation stakeholders will need to continue to be vigilant. For instance, proposals to hold hostage transportation funding until affordable housing outcomes are met are likely to resurface. Protecting transportation funding will continue to be a priority for the HLT Policy Unit. CSAC will also continue to pursue additional streamlining opportunities and intends to sponsor legislation to expand the existing "match-exchange" program where the state exchanges local shares of federal funds for state dollars thereby reducing the federal footprint, eliminating duplicative environmental reviews, and saving time and money on transportation projects.

**Preparing for the Future of Transportation.**

Automated and connected vehicles are being tested and deployed across the country. The implications of autonomous and other transportation related technology are far reaching and can be both beneficial and potentially disruptive to mobility, the economy and overall quality of life. Other advancements such as transportation network companies may have compounding effects on the implications of this rapidly-changing technology. CSAC, through a multidisciplinary county working group, will develop a set of principles regarding the role of counties in the oversight and regulation of automated and connected vehicles. Moreover, to the extent that automated vehicles are electric vehicles and therefore do not adequately pay for their use of transportation infrastructure, CSAC will continue to monitor and engage in discussions about a long-term, sustainable replacement revenue stream to the gas tax.

**Cap and Trade Implementation.** With the extension of AB 32, the California Global Warming Solutions Act of 2006, through 2030, the California Air Resources Board (CARB) is currently in the middle of a second update to the Scoping Plan to reflect the new greenhouse gas emissions targets (GHGs) targets (reducing our GHGs to at least 40% below the 1990 level by 2030). CSAC HLT staff will continue to work in coordination with the CSAC Agriculture, Environment, and Natural Resources policy committee staff to comment on and participate in the Scoping Plan update process.

CSAC HLT staff will also monitor and defend against efforts to erode local control over land use decisions in a variety of contexts. While it is unclear where the new Administration stands on SB 375 related issues, there appears to be growing dissatisfaction in the Legislature over the implementation of SB 375; specifically the transportation, housing and land use decisions local agencies are making and the perceived impacts those decisions have on statewide climate goals. It is important to get out in front of some of these conversations with proactive, positive information about the land use decisions counties are making that help meet our climate goals and are consistent with sustainable communities strategies and other local climate action plans.

**County Priorities in Renegotiated Gaming Compacts.** Governor Brown continued to renegotiate state-tribal gaming compacts in 2018 with several tribes whose current compacts would otherwise expire in the near future. While each of these agreements have included key provisions of importance to counties, the change in Administrations will require active engagement from CSAC and affected counties to ensure that ongoing priorities for revised compacts are fulfilled. Those priorities include judicially-enforceable local mitigation agreements for any new or expanded gaming or related facilities, a more comprehensive tribal environmental review process, and mitigation mechanisms for preexisting local off-reservation impacts from gaming enterprises underway prior to the date of any new compact.

The Special Distribution Fund (SDF), which was the sole statewide mechanism for mitigation of local government gaming impacts under the 1999 compacts has not had sufficient funding for SDF grants to local governments since FY 2014-15. The Legislature and Governor have been unwilling to backfill the account while 1999 Compacts are being renegotiated. While SDF grants have been insufficient to mitigate all local impacts since the program's inception, CSAC will continue to look for opportunities to fund the SDF or another mechanism to fund mitigation from pre-existing impacts, especially for counties where local casino mitigation agreements are not in place. The change in Administrations may offer an opportunity to reassess the SDF program.

## CSAC 2019 Federal Advocacy Priorities

After two years of Republican control of Congress and the White House, 2019 will usher in the return of divided government as Democrats take the helm of the House of Representatives and the GOP slightly pads what was the narrowest of majorities in the Senate. While attempts at legislative deal making will undoubtedly be influenced by the looming 2020 presidential and congressional elections, there will be opportunities for bipartisan collaboration, particularly, for example, with respect to development of an infrastructure package.

For his part, President Trump will head into the second half of his administration aiming to build upon the aggressive deregulatory agenda that is currently underway at a number of federal departments and agencies. Legislatively, the president has indicated his willingness to work with the new House Democratic majority in several key areas, though it remains to be seen how much room for cooperation will exist in 2019.

**California County Spending Priorities.** Absent a new bipartisan agreement that lifts the fiscal year 2020 sequester-level spending caps prescribed by the *Budget Control Act* (BCA), congressional appropriators will be forced to cut billions of dollars in defense and non-defense discretionary spending as part of next year's budget. Regardless of whether Congress ultimately votes to suspend the BCA caps, CSAC will be working to protect the myriad of federal spending programs that are of vital interest to California's counties.

**Transportation and Infrastructure.** While efforts to advance a broad infrastructure package fell short during the 115<sup>th</sup> Congress, the incoming leaders of the House and Senate along with President Trump have indicated that infrastructure spending will be a key priority in 2019. CSAC will continue to urge members of the California congressional delegation to prioritize the significant infrastructure investment needs at the local level while looking for opportunities to enhance and streamline the transportation project delivery process.

On a closely related matter, the nation's highway and transit authorization law – the *Fixing America's Surface Transportation Act* (FAST Act) – is set to expire during the 116<sup>th</sup> Congress. Within the context of FAST Act reauthorization, CSAC will continue to emphasize the importance of the county road system with respect to federal transportation policy and advocate for new revenues for programs of importance to counties, such as safety and bridge projects.

**Federal Healthcare Policy.** CSAC will continue to support efforts to maintain and support the *Affordable Care Act* (ACA), including funding the expanded Medicaid program and insurance subsidies for individuals and families with incomes above the Medicaid eligibility thresholds. Additionally, CSAC will continue to support bipartisan efforts to eliminate the ACA excise tax, which is slated to go into effect in 2022. A number of California counties offer health insurance plans and related programs that will be subjected to the tax on high-cost plans.

**Changes to Entitlement Programs.** CSAC will work to protect California county interests as part of any Temporary Assistance for Needy Families (TANF) reauthorization legislation, including working to restore state and county flexibility to tailor work and family stabilization activities to families' individual needs. CSAC also will support maintaining the focus on work activities under TANF, while recognizing that "work first" does not mean "work only."

**Homelessness.** CSAC will support increased federal appropriations and new legislative initiatives to support housing programs that offer comprehensive services and case management for individuals and families experiencing homelessness.

**Child Welfare Financing Reform.** CSAC will support increased federal funding for services and income support needed by parents seeking to reunify with

children who are in foster care. CSAC also supports increased financial support for programs that assist foster youth in the transition to self-sufficiency, including post-emancipation assistance such as secondary education, job training, and access to health care.

In addition, CSAC will work to protect and retain the entitlement nature of the Title IV-E Foster Care and Adoption Assistance programs while seeking the elimination of outdated rules that base a child's eligibility for funds on parental income and circumstances. The association also supports federal funding to address the service needs of youth who are victims of commercial sexual exploitation.

Finally, CSAC will continue work with Congress and the administration to provide maximum flexibility in meeting provisions of the *Family First Prevention Services Act* (FFPSA), including offering a broad array of prevention services and administrative actions to better align the FFPSA's congregate care provisions with the state's Continuum of Care reforms.

**Indian Affairs / Fee-to-Trust Reform.** CSAC will continue to lead local government efforts aimed at securing a comprehensive legislative overhaul of the Department of the Interior's fee-to-trust process. Similarly, CSAC will continue to urge the U.S. Department of the Interior to approve a series of key fee-to-trust process reforms as part of the Department's 25 CFR Part 151 regulatory review effort.

**Public Lands.** CSAC will continue to advocate for a long-term reauthorization of mandatory entitlement funding for the Payments-in-lieu-of-Taxes (PILT) program, as well as the Secure Rural Schools (SRS) program. Absent long-term renewals of these critical funding sources, CSAC will continue to support short-term programmatic extensions.

In addition, CSAC will continue to advocate for responsible reforms to federal land management. Such reform efforts should promote healthy forests, protect endangered species habitat, safeguard downstream water quality, improve California's water supply, and reduce the risk of wildfires.

Finally, CSAC will continue to urge the federal government to provide assistance through the Department of Agriculture and the Federal Emergency Management Agency to help California address its tree mortality crisis.

**Justice Funding.** CSAC will continue to serve as a lead advocate in efforts to protect, as well as enhance, the State Criminal Alien Assistance (SCAAP) program, which is a key source of federal funding for a significant number of California's counties. CSAC also will continue to advocate for a long-term reauthorization of SCAAP and will continue to seek several key reimbursement-criteria changes to the program.

With regard to the *Victims of Crime Act* (VOCA) and the *Violence Against Women Act* (VAWA), CSAC will continue to urge Congress to provide adequate funding for these important victim services programs.

**Federal Disaster Assistance.** In the aftermath of the most destructive and costly wildfires in state history, CSAC will continue to advocate for federal disaster assistance to help communities impacted by the devastating effects of the fires.

**Remote Sales Tax.** In the wake of the Supreme Court's 2018 ruling in *South Dakota v. Wayfair*, states can now require online retailers to collect and remit sales taxes, regardless of whether they have a "physical presence" in that particular state. Following the *Wayfair* decision, a number of states, including California, are moving to capitalize on this lost tax revenue. Such widespread state-level action could serve as the impetus for Congress to consider legislation – similar to the *Marketplace Fairness Act* – that would create a national framework for tax collection. CSAC will support efforts aimed at further strengthening state and local taxing authority and will oppose legislation that seeks to overturn the *Wayfair* decision.

**State and Local Tax Deduction.** The 2017 *Tax Cuts and Jobs Act* (PL 115-97) allows taxpayers to deduct property taxes and income or sales taxes,

but only up to a combined cap of \$10,000. Prior to the Act, federal taxpayers could deduct the entirety of their state and local property taxes, as well as their state income taxes or sales tax. CSAC supports legislation that would fully restore the SALT deduction and opposes any effort to further reduce or eliminate this tax benefit.

**Tax Exempt Bonds.** The *Tax Cuts and Jobs Act* fully preserved the tax exempt status of municipal bonds and Private Activity Bonds (PABs), though eliminated the exemption for advance refunding bonds, which counties use to refinance outstanding bonds to take advantage of better terms and rates. CSAC will continue to support the municipal bond and PAB tax exemption, as well as legislation that would restore the exemption for advance refunding bonds.

**Environmental Regulatory Reform.** With the Trump administration taking a series of actions to dismantle Obama-era environmental regulations – such as the Clean Power Plan and the Waters of the United States (WOTUS) rule – CSAC will continue to monitor executive and administrative actions that could impact California’s counties.

**Executive Action on Immigration-related Policy.** CSAC will continue to closely monitor the potential impact of legislative and regulatory actions that

would have the effect of cutting off certain federal funds to California’s counties, including new standards announced by the Department of Justice that would preclude the state’s counties from being eligible for SCAAP payments beginning with the fiscal year 2020 application cycle. It should be noted that the Trump administration’s executive and administrative actions aimed at withholding federal funds from so-called “sanctuary jurisdictions” remain the subject of a number of lawsuits across the country. Accordingly, CSAC will continue to closely monitor the outcome of these judicial proceedings.

**Cannabis.** While 33 states and the District of Columbia have legalized the use of cannabis for medicinal or recreational purposes, it is still classified as a Schedule 1 narcotic under the *Controlled Substances Act*. As a result, the use, possession, and sale of cannabis remains a federal crime, which has created significant issues for states that have legalized cannabis use. In an effort to address the conflict between federal and state law, CSAC supports legislation that would allow states to determine their own cannabis policies. CSAC also supports legislation that would ensure greater access to banking for cannabis-related businesses, as well as proper medical research on the effects of cannabis use.