



**Administration of Justice Policy Committee Meeting
Conference Call Meeting***

Tuesday, February 17 ■ 1:30 – 3:00 p.m.

Call-in number: 800-867-2581 ■ Passcode: 7500513#

**Supervisor John Viegas, Glenn County, Chair
Supervisor Keith Carson, Alameda County, Vice-Chair**

- 1:30 p.m. **I. Welcome and Introductions**
Supervisor John Viegas, Glenn County
- 1:35 **II. CSAC Administration of Justice Policy Platform – ACTION ITEM**
*Elizabeth Espinosa, Hurst Brooks Espinosa; Darby Kernan, CSAC
Legislative Representative*
- 2:00 **III. 2015 State Administration of Justice Advocacy Priorities – ACTION
ITEM**
*Elizabeth Espinosa, Hurst Brooks Espinosa; Darby Kernan, CSAC
Legislative Representative*
- 2:20 **IV. Review of Governor’s Proposed 2015-16 Budget**
*Elizabeth Espinosa, Hurst Brooks Espinosa; Darby Kernan, CSAC
Legislative Representative*
- 2:40 **V. Update on Protocol for Issuance of Inmate Identification Cards**
*Elizabeth Espinosa, Hurst Brooks Espinosa; Darby Kernan, CSAC
Legislative Representative*
- 3:00 p.m. **VI. Adjournment**

For those wishing to attend the meeting in person, we will have limited seating available at CSAC (1100 K Street, 3rd Floor Conference Room) in Sacramento.

ITEM II
CSAC Administration of Justice Policy Platform –
ACTION ITEM



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DATE: February 3, 2015

TO: CSAC Administration of Justice Policy Committee

FROM: Elizabeth Howard Espinosa, Hurst Brooks Espinosa
Darby Kernan, CSAC Legislative Representative

RE: **Proposed Changes to the Administration of Justice (AOJ) Platform – ACTION ITEM**

Background. The policy committees of the California State Association of Counties (CSAC) are required to review and, if appropriate, revise their respective planks of the association’s policy platform on a biannual basis. The last set of modifications to the platform was approved by the CSAC Board of Directors in 2013 for the 2013-14 legislative session. At that time, with respect to the AOJ section, the Board incorporated 2011 Realignment policy statements as an addendum to the platform. That action was taken jointly and concurrently with the Government Finance and Operations Committee as well as the Health and Human Services Committee.

At our November 2014 policy committee meeting, the committee was provided with a set of potential changes outlined in the table below and shown in the attached mark-up. However, to give committee members an opportunity to consider both these and potentially other new suggestions that come forward, the committee was not asked to take action on the platform. The primary purpose of the February 2015 AOJ policy committee meeting is to review the proposed changes and formalize action on the platform for the full Board of Directors review and approval.

While there have been no other changes suggested by members of the committee since the initial review in November, there will be an opportunity to discuss other ideas at the February 17 conference call meeting.

Page/line number	Change	Rationale/Need
Page 6 / lines 9-18	Add new section on Enrollment of Court-involved Population in Public Programs	Substantive This section is proposed for inclusion to reflect CSAC’s commitment to maximizing opportunities for securing access for the court-involved population to health care, behavioral health, and other supportive services. Because of the cross-cutting nature of this policy, both the AOJ and Health and Human Services Policy Committee

Page/line number	Change	Rationale/Need
		would be asked to adopt this section.
Page 6 / lines 20-34	Add new section on Incompetent to Stand Trial/Department of State Hospitals/Conservatorship	<i>Substantive</i> This section is proposed for inclusion in recognition of the fact that 1. The state’s IST waiting list continues to grow to an unacceptably high level, resulting in long jail stays for persons awaiting availability of an appropriate Department of State Hospitals bed and 2. Policy interest in this area is increasing, with a continued potential for legislative action. Because of the cross-cutting nature of this policy, both the AOJ and Health and Human Services Policy Committee would be asked to adopt this section.
Page 6 / line 36	Changed paragraph number from 8 to 10 for “Private Programs” section	<i>Technical/Non-substantive</i> The “Private Programs” paragraph has been renumbered given the proposed addition of two immediately preceding sections.

The platform, containing page and line numbers referenced to each of the changes above, is attached for your review and reference.

1 Chapter Two

2
3
4 Administration of Justice

5 [Last update adopted 2013]

6
7 **Section 1: GENERAL PRINCIPLES**

8 This chapter is intended to provide a policy framework to direct needed and inevitable change in our
9 justice system without compromising our commitment to both public protection and the preservation of
10 individual rights. CSAC supports improving the efficiency and effectiveness of the California justice
11 systems without compromising the quality of justice.

12
13 **A. The Role of Counties**

14 The unit of local government that is responsible for the administration of the justice system must be close
15 enough to the people to allow direct contact, but large enough to achieve economies of scale. While
16 acknowledging that the state has a constitutional responsibility to enact laws and set standards, California
17 counties are uniquely suited to continue to have major responsibilities in the administration of justice.
18 However, the state must recognize differences arising from variations in population, geography, industry,
19 and other demographics and permit responses to statewide problems to be tailored to the needs of
20 individual counties.

21
22 We believe that delegation of the responsibility to provide a justice system is meaningless without
23 provision of adequate sources of funding.

24
25 **Section 2: LEGISLATIVE AND EXECUTIVE MATTERS**

26 **A. Board of Supervisors Responsibilities**

27 It is recognized that the state, and not the counties, is responsible for trial court operations costs and any
28 growth in those costs in the future. Nevertheless, counties continue to be responsible for justice-related
29 services, such as, but not limited to, probation, prosecutorial and defense services, as well as the
30 provision of local juvenile and adult detention facilities. Therefore, county board of supervisors should
31 have budget control over all executive and administrative elements of local justice programs for which
32 we continue to have primary responsibility.

33
34 **B. Law Enforcement Services**

35 While continuing to provide the full range of police services, county sheriffs should move in the direction
36 of providing less costly specialized services, which can most effectively be managed on a countywide
37 basis. Cities should provide for patrol and emergency services within their limits or spheres of influence.
38 However, where deemed mutually beneficial to counties and cities, it may be appropriate to establish
39 contractual arrangements whereby a county would provide law enforcement services within incorporated
40 areas. Counties should maintain maximum flexibility in their ability to contract with municipalities to
41 provide public safety services.

42
43 **C. District Attorney Services**

44 The independent, locally-elected nature of the district attorney must be protected. This office must have
45 the capability and authority to review suspected violations of law and bring its conclusions to the proper
46 court.

1 **D. Victim Indemnification**

2 Government should be responsive to the needs of victims. Victim indemnification should be a state
3 responsibility, and the state should adopt a program to facilitate receipt of available funds by victims,
4 wherever possible, from the perpetrators of the crime who have a present or future ability to pay, through
5 means that may include, but are not limited to, long-term liens of property and/or long-term payment
6 schedules.

7
8 **E. Witness Assistance**

9 Witnesses should be encouraged to become more involved in the justice system by reporting crime,
10 cooperating with law enforcement, and participating in the judicial process. A cooperative anonymous
11 witness program funded jointly by local government and the state should be encouraged, where
12 appropriate, in local areas.

13 **F. Grand Juries**

14 Every grand jury should continue to have the authority to report on the needs of county offices, but no
15 such office should be investigated more than once in any two-year period, unless unusual circumstances
16 exist. Grand juries should be authorized to investigate all local government agencies, not just counties.
17 Local government agencies should have input into grand jury reports on non-criminal matters prior to
18 public release. County officials should have the ability to call the grand jury foreman and his or her
19 representative before the board of supervisors, for the purpose of gaining clarification on any matter
20 contained in a final grand jury report. Counties and courts should work together to ensure that grand
21 jurors are properly trained and that the jury is provided with an adequate facility within the resources of
22 the county and the court.

23
24 **G. Public Defense Services**

25 Adequate legal representation must be provided for indigent persons as required by constitutional,
26 statutory, and case law. Such representation includes both criminal and mental health conservatorship
27 proceedings. The mechanism for meeting this responsibility should be left to the discretion of individual
28 counties.

29
30 Counsel should be appointed for indigent juveniles involved in serious offenses and child dependency
31 procedures. The court-appointed or -selected attorney in these procedures should be trained specifically
32 to work with juveniles.

33
34 Adult defendants and parents of represented juveniles who have a present and/or future ability to pay part
35 of the costs of defense should continue to be required to do so as determined by the court. The
36 establishment of procedures to place the responsibility for the cost of juvenile defense rightfully upon the
37 parents should be encouraged. The state should increase its participation in sharing the costs of public
38 defense services.

39
40 **H. Coroner Services**

41 The independent and investigative function of the coroner must be assured. State policy should
42 encourage the application of competent pathological techniques in the determination of the cause of
43 death.

44
45 The decision as to whether this responsibility should be fulfilled by an independent coroner, sheriff-
46 coroner combination, or a medical examiner must be left to the individual boards of supervisors. In rural
47 counties, the use of contract medical examiners shall be encouraged on a case-by-case basis where local
48 coroner judgment is likely to be challenged in court. A list of expert and highly qualified medical
49 examiners, where available, should be circulated to local sheriff-coroners.

1
2 **I. Pre-Sentence Detention**

3 **1. Adults**

4 **a. Facility Standards**

5 The state’s responsibility to adopt reasonable, humane, and constitutional standards for
6 local detention facilities must be acknowledged.

7
8 Recognizing that adequate standards are dynamic and subject to constant review, local
9 governments must be assured of an opportunity to participate in the development and
10 modification of standards.

11
12 It must be recognized that the cost of upgrading detention facilities presents a nearly
13 insurmountable financial burden to most counties. Consequently, enforcement of
14 minimum standards must depend upon state financial assistance, and local costs can be
15 further mitigated by shared architectural plans and design.

16
17 **b. Pre-sentence Release**

18 Counties’ discretion to utilize the least restrictive alternatives to pre-sentence
19 incarceration that are acceptable, in light of legal requirements and counties’
20 responsibility to protect the public, should be unfettered.

21
22 **c. Bail**

23
24 We support a bail system that would validate the release of pre-sentence persons. We
25 also believe that public protection should be a criterion considered when setting bail.

26
27 Any continuing county responsibility in the administration or operation of the bail
28 system must include a mechanism to finance the costs of such a system.

29
30 **2. Juveniles**

31 **a. General**

32 We view the juvenile justice system as being caught between changing societal attitudes
33 calling for harsher treatment of serious offenders and its traditional orientation toward
34 assistance and rehabilitation. Therefore, we believe a thorough review of state juvenile
35 laws is necessary. Any changes to the juvenile justice system should fully involve and
36 draw upon the experience of county officials and personnel responsible for the
37 administration of the present system. CSAC must be involved in state-level discussions
38 and decision-making processes regarding changes to the juvenile justice system that will
39 have a local impact. There must also be recognition that changes do not take place
40 overnight and that an incremental approach to change may be most appropriate.

41 Counties must be given the opportunity to analyze the impact, assess the feasibility, and
42 determine the acceptability of any juvenile justice proposal that would realign services
43 from the state to the local level. As with any realignment, responsibility and authority
44 must be connected, and sufficient resources — with a built-in growth factor adjustment
45 — must be provided. Any shift in juvenile detention or incarceration from large state-
46 run facilities to local facilities — if determined to be appropriate — must be pre-planned
47 and funded by the state. However, counties believe that a class of juvenile offenders
48 exists that is best treated by the state. These juvenile offenders are primarily those

1 offenders whose behavioral problems, treatment needs, or criminogenic profile are so
2 severe as to outstrip the local ability to properly treat.

3 We support a juvenile justice system that is adapted to local circumstances and increased
4 state and federal funding support for local programs that are effective.
5

6 **b. Facility Standards**

7 The state's responsibility to adopt reasonable, humane, and constitutional standards for
8 juvenile detention facilities is recognized. The adoption of any standards should include
9 an opportunity for local government to participate. The state must recognize that local
10 government requires financial assistance in order to effectively implement state
11 standards, particularly in light of the need for separating less serious offenders from
12 more serious offenders.

13 **c. Treatment and Rehabilitation**

14 As with adult defendants, counties should have broad discretion in developing programs
15 for juveniles.
16

17 To reduce overcrowding of juvenile institutions and to improve the chances for treatment
18 and rehabilitation of more serious offenders, it is necessary that lesser offenders be
19 diverted from the formal juvenile justice system to their families and appropriate
20 community-based programs. Each juvenile should receive individual consideration and,
21 where feasible, a risk assessment.
22

23 Counties should pursue efficiency measures that enable better use of resources and
24 should pursue additional funding from federal, state, and private sources to establish
25 appropriate programs at the county level.
26

27 Prevention and diversion programs should be developed by each county or regionally to
28 meet the local needs and circumstances, which vary greatly among urban, suburban, and
29 rural areas of the state. Programs should be monitored and evaluated on an ongoing basis
30 to ensure their ability to protect public safety and to ensure compliance with applicable
31 state and federal regulations. Nevertheless, counties believe that the state must continue
32 to offer a commitment option for those juvenile offenders with the most serious
33 criminogenic profile and most severe treatment needs.
34

35 **d. Bail**

36 Unless transferred to adult court, juveniles should not be entitled to bail. Release on their
37 own recognizance should be held pending the outcome of the proceedings.
38

39 **e. Separation of Offenders**

40 We support the separation of juveniles into classes of sophistication. Separation should
41 be based upon case-by-case determinations, taking into account age, maturity, need for
42 secure custody among other factors, since separation by age or offense alone can place
43 very unsophisticated offenders among the more mature, sophisticated offenders.
44

45 In view of the high cost of constructing separate juvenile hall facilities, emphasis should
46 be placed on establishment of facilities and programs that facilitate separation.
47

1 **f. Removal of Serious Offenders to Adult Court**

2 To the greatest extent possible, determinations regarding the fitness of serious offenders
3 should be made by the juvenile court on a case-by-case basis.
4

5 **g. Jury Trial for Serious Offenders**

6 Except when transferred to adult court, juveniles should not be afforded the right to a
7 jury trial — even when charged with a serious offense.
8

9 **J. General Principles For Local Corrections**

10 **1. Purpose**

11 We believe that swift and certain arrest, conviction, and punishment is a major deterrent to
12 crime. Pragmatic experience justifies the continuation of rehabilitative programs for those
13 convicted persons whom a court determines must be incarcerated and/or placed on probation.
14

15 **2. Definition**

16 Local corrections include maximum, medium and minimum security incarceration, work
17 furlough programs, home detention, county parole, probation, and community-based programs
18 for convicted persons.
19

20 **3. Equal Treatment**

21 Conditions, treatment and correctional opportunities that are equal for all detainees, regardless of
22 gender, are strongly supported. State policy must allow recognition of the individual's right to
23 privacy and the differing programmatic needs of individuals.
24

25 **4. Community-Based Corrections**

26 The most cost-effective method of rehabilitating convicted persons is the least restrictive
27 alternative that is close to the individual's community and should be encouraged where possible.
28

29 State policy must recognize that correctional programs must always be balanced against the need
30 for public protection and that community-based corrections programs are only successful to the
31 extent that they are sufficiently funded.
32

33 **5. Relationship to Human Services Systems**

34 State policy toward corrections should reflect a holistic philosophy, which recognizes that most
35 persons entering the correctional system should be provided welfare, medical, mental health,
36 vocational and educational services. Efforts to rehabilitate persons entering the correctional
37 system should involve these other services, based on the needs — and, when possible, a risk
38 assessment — of the individual.
39

40 **6. Relationship to Mental Health System: Mentally Ill Diversion Programs**

41 Adequate mental health services can reduce criminal justice costs and utilization. Appropriate
42 diagnosis and treatment services, as well as increased use of diversion programs, will result in
43 positive outcomes for offenders with a mental illness. Ultimately, appropriate mental health
44 services will benefit the public safety system. Counties continue to work across disciplines to
45 achieve good outcomes for persons with mental illness and/or co-occurring substance abuse
46 issues.
47
48

1 **7. Inmate Medical Services**

2
3 CSAC supports efforts at the federal level to permit local governments to access third-party
4 payments for health care provided in detention facilities, including medical services provided for
5 those who are accused, but not yet convicted. CSAC also supports efforts to ensure continuity of
6 benefits for those detained in county detention facilities – adult and juvenile – and for swift
7 reenrollment in the appropriate benefits program upon a detainee’s release.
8

9 **8. Enrollment of Court-involved Population in Public Programs**

10
11 Counties recognize the importance of enrolling the court-involved population into Medi-
12 Cal and other public programs. Medi-Cal enrollment provides access to important mental
13 health, behavioral health and primary care services that will improve health outcomes and
14 may reduce recidivism. CSAC continues to look for partnership opportunities with the
15 Department of Health Care Services, foundations, and other stakeholders on enrollment,
16 eligibility, quality and improving outcomes for this population. Counties are supportive of
17 obtaining federal Medicaid funds for inpatient hospitalizations, including psychiatric
18 hospitalizations, for adults and juveniles while they are incarcerated.
19

20 **9. Incompetent to Stand Trial/Department of State Hospitals/Conservatorship**

21
22 Counties affirm the authority of County Public Guardians under current law to conduct
23 conservatorship investigations and are mindful of the potential costs and ramifications of
24 additional mandates or duties in this area.
25

26 Counties support collaboration among the California Department of State Hospitals,
27 county Public Guardians, Behavioral Health Departments, and County Sheriffs to find
28 secure supervised placements for individuals originating from DSH facilities, county
29 jails, or conserved status. Counties support a shared funding and service delivery model
30 for complex placements, such as the Enhanced Treatment Program.
31

32 Counties recognize the need for additional secure placement options for individuals who
33 are conserved or involved in the local or state criminal justice systems, including
34 juveniles.
35

36 **810. Private Programs**

37 Private correctional programs should be encouraged for those categories of offenders that can
38 most effectively be rehabilitated in this manner.
39

40 **K. Adult Correctional Institutions**

41 Counties should continue to administer adult correctional institutions for those whose conviction(s)
42 require and/or results in local incarceration.
43

44 The state and counties should establish a collaborative planning process to review the relationship of
45 local and state corrections programs.
46

47 Counties should continue to have flexibility to build and operate facilities that meet local needs. Specific
48 methods of administering facilities and programs should not be mandated by statute.
49

1 **L. Adult Probation**

2 Counties should continue to provide adult probation services as a cost-effective alternative to post-
3 sentence incarceration and to provide services—as determined appropriate—to persons released from
4 local correctional facilities. Counties should be given flexibility to allocate resources at the local level
5 according to the specific needs of their probation population and consideration should be granted to
6 programs that allow such discretion. State programs that provide fiscal incentives to counties for keeping
7 convicted offenders out of state institutions should be discouraged unless such programs – on balance –
8 result in system improvements. State funding should be based upon a state-county partnership effort that
9 seeks to protect the public and to address the needs of individuals who come into contact with the justice
10 system. Such a partnership would acknowledge that final decisions on commitments to state institutions
11 are made by the courts, a separate branch of government, and are beyond the control of counties. Some
12 integration of county probation and state parole services should be considered. Utilization of electronic
13 monitoring for probationers and parolees should be considered where cost-effective and appropriate for
14 local needs.

15
16 **M. General Principles for Juvenile Corrections**

17 We believe that efforts to curtail the criminal behavior of young people are of the highest priority need
18 within the correctional area. The long-term costs resulting from young offenders who continue their
19 criminal activities justifies extraordinary efforts to rehabilitate them.

20
21 Efforts should be made to force parents to assume greater responsibility for the actions of their children,
22 including fines and sanctions, if necessary. Counties should be given flexibility to allocate resources at
23 the local level according to the specific needs of their probation population and consideration should be
24 granted to programs that allow such discretion. State programs that provide fiscal incentives to counties
25 for keeping convicted offenders out of state institutions should be discouraged unless such programs – on
26 balance – result in system improvements. Any program should recognize that final decisions on
27 commitments to state institutions are made by the courts, a separate branch of government, and are
28 beyond the control of counties.

29
30 **N. Juvenile Correctional Institutions**

31 Counties should continue to administer juvenile correctional institutions and programs for the majority of
32 youths requiring institutionalization. Retention of youths at the local level benefits the state by reducing
33 demands on programs and institutions operated by the California Division of Juvenile Justice.

34
35 While counties believe that a state-operated rehabilitation and detention system is a necessary component
36 of the continuum of services for juvenile offenders, CSAC opposes efforts that would require any
37 additional county subsidy of that system. The state should provide subvention for these activities at a
38 reasonable level, with provisions for escalation so that actual expenses will be met.

39
40 **O. Juvenile Probation**

41 Counties should continue to provide juvenile probation services as a cost-effective alternative to post-
42 adjudication and to provide juvenile probation services to individual youths and their families after the
43 youth's release from a local correctional facility.

44
45 Truants, run-a-ways, and youths who are beyond the control of their parents should continue to be
46 removed from the justice system except in unusual circumstances. These youths should be the
47 responsibility of their parents and the community, not the government. Imposing fines and/or sanctions
48 on parents to prompt their participation in their children's lives and involvement in the process should
49 remain an option.

1 **P. Gang Violence Prevention**

2
3 Counties recognize the devastating societal impacts of gang violence – not only on the victims of gang-
4 related crimes, but also on the lives of gang members and their families. Counties are committed to
5 working with allied agencies, municipalities, and community-based organizations to address gang
6 violence and to promote healthy and safe communities. These efforts require the support of federal and
7 state governments and should employ regional strategies and partnerships, where appropriate.

8 **Q. Human Services System Referral of Juveniles**

9 State policy toward juvenile corrections must be built on the realization that a juvenile offender may be
10 more appropriately served in the human services system. Considering the high suicide potential of
11 youths held in detention facilities and, acknowledging the fact that juvenile offenses are more often
12 impulse activities than are adult offenses, juvenile cases and placement decisions should be reviewed
13 more closely under this light.

14
15 **R. Federal Criminal Justice Assistance**

16 The federal government should continue to provide funding for projects that improve the operation and
17 efficiency of the justice system and that improve the quality of justice. Such programs should provide for
18 maximum local discretion in designing programs that are consistent with local needs and objectives.
19

20 **Section 3: JUDICIAL BRANCH MATTERS**

21 **A. Trial Court Management**

22 The recognized need for greater uniformity and efficiency in the trial courts must be balanced against the
23 need for a court system that is responsive and adaptable to unique local circumstances. Any statewide
24 administrative structure must provide a mechanism for consideration of local needs.
25

26 **B. Trial Court Structure**

27 We support a unified consolidated trial court system of general jurisdiction that maintains the
28 accessibility provided by existing trial courts. The state shall continue to accept financial responsibility
29 for any increased costs resulting from a unified system.
30

31 **C. Trial Court Financing**

32 Sole responsibility for the costs of trial court operations should reside with the state, not the counties.
33 Nevertheless, counties continue to bear the fiscal responsibility for several local judicial services that are
34 driven by state policy decision over which counties have little or no control. We strongly believe that it is
35 appropriate for the state to assume greater fiscal responsibility for other justice services related to trial
36 courts, including collaborative courts. Further, we urge that the definition of court operations financed by
37 the state should include the district attorney, the public defender, court appointed counsel, and probation.
38

39 **D. Trial Court Facilities**

40
41 The court facility transfers process that concluded in 2009 places responsibility for trial court facility
42 maintenance, construction, planning, design, rehabilitation, replacement, leasing, and acquisition
43 squarely with the state judicial branch. Counties remain committed to working in partnership with the
44 courts to fulfill the terms of the transfer agreements and to address transitional issues as they arise.
45

46 **E. Court Services**

47 Although court operation services are the responsibility of the state, certain county services provided by
48 probation and sheriff departments are directly supportive of the trial courts. Bail and own recognizance

1 investigations, as well as pre-sentence reports, should be provided by probation, sheriff, and other county
2 departments to avoid duplication of functions, but their costs should be recognized as part of the cost of
3 operating trial courts.

4 5 **F. Jurors and Juries**

6 Counties should be encouraged to support programs that maximize use of potential jurors and minimize
7 unproductive waiting time. These programs can save money, while encouraging citizens to serve as
8 jurors. These efforts must consider local needs and circumstances. To further promote efficiency,
9 counties support the use of fewer than twelve person juries in civil cases.

10 11 **G. Collaborative Courts**

12
13 Counties support collaborative courts that address the needs and unique circumstances of specified
14 populations such as the mentally ill, those with substance use disorders, and veterans. Given that the
15 provision of county services is vital to the success of collaborative courts, these initiatives must be
16 developed locally and entered into collaboratively with the joint commitment of the court and county.
17 This decision making process must include advance identification of county resources – including, but
18 not limited to, mental health treatment and alcohol and drug treatment programs and services,
19 prosecution and defense, and probations services – available to support the collaborative court in
20 achieving its objectives.

21 22 **H. Court and County Collection Efforts**

23
24 Improving the collection of court-ordered debt is a shared commitment of counties and courts. An
25 appropriately aggressive and successful collection effort yields important benefits for both courts and
26 counties. Counties support local determination of both the governance and operational structure of the
27 court-ordered debt collection program and remain committed to jointly pursuing with the courts
28 strategies and options to maximize recovery of court-ordered debt.

29 30 **Section 4: FAMILY VIOLENCE**

31 CSAC remains committed to raising awareness of the toll of family violence on families and
32 communities by supporting efforts that target family violence prevention, intervention and treatment.
33 Specific strategies for early intervention and success should be developed through cooperation between
34 state and local governments, as well as community, and private organizations addressing family violence
35 issues.

36 37 **Section 5: GOVERNMENT LIABILITY**

38 The current government liability system is out of balance. It functions almost exclusively as a source of
39 compensation for injured parties. Other objectives of this system, such as the deterrence of wrongful
40 conduct and protection of governmental decision-making, have been largely ignored. Moreover, as a
41 compensatory system of ever-increasing proportions, it is unplanned, unpredictable and fiscally unsound
42 – both for the legitimate claimant and for the taxpayers who fund public agencies.

43
44 Among the principal causes of these problems is the philosophy – expressed in statutes and decisions
45 narrowing governmental immunities under the Tort Claims Act – that private loss should be shifted to
46 society where possible on the basis of shared risk, irrespective of fault or responsibility in the traditional
47 tort law sense.

48
49 The expansion of government liability over recent years has had the salutary effect of forcing public
50 agencies to evaluate their activities in terms of risk and to adopt risk management practices. However,

1 liability consciousness is eroding the independent judgment of public decision-makers. In many
2 instances, mandated services are being performed at lower levels and non-mandated services are being
3 reduced or eliminated altogether. Increasingly, funds and efforts are being diverted from programs
4 serving the public to the insurance and legal judicial systems.
5

6 Until recently, there appeared to be no end to expansion of government liability costs. Now, however, the
7 "deep pocket" has been cut off. Insurance is either unavailable or cost prohibitive and tax revenues are
8 severely limited. Moreover, restricted revenue authority not only curtails the ability of public entities to
9 pay, but also increases exposure to liability by reducing funding for maintenance and repair programs. As
10 a result, public entities and ultimately, the Legislature, face difficult fiscal decisions when trying to
11 balance between the provision of governmental service and the continued expansion of government
12 liability.
13

14 There is a need for data on the actual cost impacts of government tort liability. As a result of previous
15 CSAC efforts, insurance costs for counties are fairly well documented. However, more information is
16 needed about the cost of settlements and awards and about the very heavy "transactional costs" of
17 administering and defending claims. We also need more information about the programmatic decisions
18 being forced upon public entities: e.g., what activities are being dropped because of high liability? CSAC
19 and its member counties must attempt to fill this information gap.
20

21 CSAC should advocate for the establishment of reasonable limits upon government liability and the
22 balancing of compensatory function of the present system with the public interests in efficient, fiscally
23 sound government. This does not imply a return to "sovereign immunity" concepts or a general turning
24 away of injured parties. It simply recognizes, as did the original Tort Claims Act, that: (1) government
25 should not be more liable than private parties, and (2) that in some cases there is reason for government
26 to be less liable than private parties. It must be remembered that government exists to provide essential
27 services to people and most of these services could not be provided otherwise. A private party faced with
28 risks that are inherent in many government services would drop the activity and take up another line of
29 work. Government does not have that option.
30

31 In attempting to limit government liability, CSAC's efforts should bring governmental liability into
32 balance with the degree of fault and need for governmental service.
33

34 In advocating an "era of limits" in government liability, CSAC should take the view of the taxpayer
35 rather than that of counties per se. At all governmental levels, it is the taxpayer who carries the real
36 burden of government liability and has most at stake in bringing the present system into better balance. In
37 this regard, it should be remembered that the insurance industry is not a shield, real or imagined, between
38 the claimant and the taxpayer.
39

40 **Attachments**
41

42 CSAC Corrections Reform Policies and Principles (adopted by the CSAC Board of Directors November
43 30, 2006; amended on May 22, 2008)
44

45 Sex Offender Management: County Principles and Policies (adopted by CSAC Board of Directors on
46 May 22, 2008)

ITEM III
2015 State Administration of Justice Advocacy
Priorities – ACTION ITEM



February 11, 2014

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TO: CSAC Administration of Justice Policy Committee

FROM: Elizabeth Howard Espinosa, Hurst Brooks Espinosa
Darby Kernan, CSAC Legislative Representative

Re: 2015 CSAC Administration of Justice Advocacy Priorities – ACTION ITEM

Recommended Action. Staff requests that the CSAC Administration of Justice Policy Committee review and consider the proposed state legislative priorities in the Administration of Justice policy area as well as the additional priorities identified by Supervisor Keith Carson detailed in the attached memo.

Background. At its November 2014 meeting, the CSAC Administration of Justice policy committee agenda contained an item on 2015 legislative priorities for our issue area. Although the committee did not have an opportunity to discuss or review that memo in detail, the proposed priorities have been incorporated into the draft CSAC state legislative priorities that were reviewed and approved by the Executive Committee at its January meeting. On February 19, the CSAC Board of Directors will review and take final action to establish the association's 2015 priorities, which are included as an attachment to this memo.

In the meantime, the CSAC Administration of Justice Policy Committee Vice-Chair, Supervisor Keith Carson, has asked that the committee review a number of issues and potential solutions for consideration as part of the CSAC 2015 Administration of Justice legislative priorities. Those items will be discussed in more detail on the Administration of Justice conference call meeting on February 17.

Attachments



California State Association of Counties

(As adopted by the CSAC Executive Committee)

CSAC 2015 STATE ADVOCACY PRIORITIES

California counties remain focused on implementing numerous significant reforms involving fundamental shifts of responsibilities in the public safety and health arenas that require flexible and efficient solutions. While economic recovery in California has remained steady, it has been modest and inconsistent throughout our 58 counties. Further, income growth has not been uniform across our communities, thus placing further challenges on counties tasked with providing public services to those in need. With the goal of ensuring that all counties succeed, CSAC is leading efforts to ensure that counties can effectively manage new responsibilities and meet service demands in an ever-changing environment. From working to protect existing revenues and avoiding new costs to encouraging innovation and collaborative problem solving, CSAC remains at the forefront of significant statewide issues, fighting for counties and the Californians we serve.

The 2015 CSAC State Legislative Priorities reflect an ongoing commitment to successful implementation of 2011 realignment and implementation of the Affordable Care Act, as well as seeking resources to address infrastructure deficiencies from transportation to water systems. The chart below outlines areas of opportunity to retain and secure financial resources for counties. Additionally, CSAC will advance county interests within a diverse array of key county issues.

Protecting Vital County Resources

Every day, year after year, CSAC works to protect billions of dollars in financial resources that support locally delivered services. For 2015, the priority funding areas below will serve as the focus of CSAC’s advocacy efforts. While other funding sources also require ongoing, permanent vigilance, the list below represents policy areas where CSAC will lead the charge to protect existing resources and secure new or renewed funding for California counties. Brief descriptions of many issues can be found in the pages that follow.

2011 Realignment <i>Ensure proper distribution of 2011 realignment, including the \$1 billion AB 109 allocation and allocation of mental health funds</i>	\$6B
AB 85/Affordable Care Act Implementation <i>Ensure proper distribution of 1991 realignment funds, including retaining funds for public health and returning savings associated with indigent health</i>	\$1.3B
Cap and trade funds <i>Secure additional funding for local government GHG reduction projects and protect funding for affordable housing and sustainable communities</i>	\$0.5B - \$1B
Dept of Fish and Game Payment In-Lieu of Taxes (PILT)	\$18M

<i>Includes payment of past due monies owed to counties since 2002-03</i>	
Water Bond <i>Influence water bond allocation and guideline development for local government access to funding for groundwater implementation, stormwater and flood control programs, regional planning funds and clean drinking water programs</i>	\$2B
Court security funding <i>Maintain recent increases and secure new resources for new facilities</i>	\$2M - \$5M
Mentally Ill Offender Crime Reduction grants (MIOCR) <i>Increase grants for juvenile and adult offenders' mental health services</i>	\$100M
Medi-Cal Administration <i>Protect existing and seek new funding for county outreach, eligibility, and enrollment</i>	\$500M
In-Home Supportive Services (IHSS) Maintenance of Effort <i>Monitor the mechanics of the 2012 IHSS MOE deal</i>	\$1B
Property tax allocation issues <i>Secure continued funding for counties with insufficient ERAF</i>	\$5M
Mandate backlog <i>Secure further repayment of debts for pre-2004 and suspended mandates</i>	\$1.9B
Transportation Funding <i>Ensure existing gas tax revenues are accurately allocated and secure additional transportation revenues for local streets and roads</i>	\$800M - \$1.2B
Special Distribution Fund <i>Secure funding to mitigate gaming impacts on government services</i>	\$9M
TOTAL	\$13B

2015 Legislative Priorities

Budget Priorities

Pre-2004 Mandate Repayment. CSAC will continue to support the Administration's commitment to paying down the Wall of Debt mandates and urge the Governor to continue to make the full repayment a priority. Should current year revenues not be sufficient to complete the remaining \$800 million in reimbursements owed to local agencies, we request that the Administration continue to pay down this debt, either through direct appropriation or via the Rainy Day Fund reserve.

Payment-in-lieu of Taxes (PILT). CSAC will advocate for approximately \$18 million in PILT owed counties dating back to FY 2002-03. The law clearly indicates that the state owes counties for the loss of local property taxes resulting from the state taking ownership of private lands. PILT funds are discretionary dollars to local governments and remain critical to some of the smallest counties. The non-payment of PILT by the state has a direct impact on local general funds and the ability to provide services, many state mandated.

Recidivism Reduction Grants / Behavioral Health Interventions. CSAC will advocate for \$100 million in additional resources for the Mentally Ill Offender Crime Reduction (MIOCR) program to assist with mental health services for both the juvenile and adult criminal justice populations.

Medi-Cal County Administrative Costs. CSAC will seek an additional \$100-150 million (split between state and federal funds) for county administration of Medi-Cal in the current year. We continue to develop an estimate for the budget year based on the work counties are required to perform, what counties can reasonably expect to spend, and what appears reasonable to the Administration.

Administration of Justice

2011 Public Safety Realignment. CSAC will continue to actively work in collaboration with the Administration, Legislature, and key public safety stakeholders in addressing public safety realignment implementation issues, primarily related to sentencing changes associated with AB 109. In 2015, CSAC's primary areas of focus will be the long-term impacts associated broadly with county liability, long-term jail offenders, and better managing of behavioral health concerns of the court-involved population. Specifically, CSAC will continue to advocate for a hard cap on felony jail terms, seek – in collaboration with the state – potential remedies and mutually beneficial behavioral health responses and strategies, and promote additional investment of \$100 million in the Mentally Ill Crime Reduction Grant Program. Our ongoing commitment to a robust realignment-related training and education program will continue.

Supplemental court security funding (new court facilities). In follow up to last year's success in securing both funding and a process by which counties can seek supplemental court security funding associated with the activation of a new court facility, CSAC – in collaboration with the California State Sheriffs' Association – will advocate for sustained baseline funding for those counties awarded resources in 2014-15, work to identify potential future needs, and undertake individual county outreach where needed. In 2015-16, the funding level for the supplemental court security line item must be calibrated to cover ongoing approved county costs from the current year along with an estimate of the potential new costs in the budget year. In addition, CSAC is requesting elimination of the per-deputy funding cap.

Criminal Justice/Affordable Care Act Intersection. The CSAC Administration of Justice and Health and Human Service Policy Committees continue to work collaboratively to promote best practices and encourage maximum participation associated with new opportunities for the court-involved population under the Affordable Care Act. As part of these efforts, CSAC is requesting a statutory change that would expressly grant counties the authority to claim federal financial participation for Medi-Cal eligible inmates who have 24+ hour stays at a hospital if the services delivered are for mental health or psychiatry. Those costs are allowable for the juvenile population. It is our understanding that DHCS indicated its intent to permit claiming only for health (and not mental health) services. We continue to work with the Administration to secure finalized and streamlined claiming protocols as soon as is practical.

Reinvestment in the Juvenile System. CSAC will partner with the Chief Probation Officers of California to refocus interest in the juvenile justice system, specifically related to smart and targeted prevention and intervention efforts aimed at preventing deeper downstream involvement in the criminal justice system. This initiative will encompass a commitment of time and resources to exploring counties' gang violence intervention and prevention efforts and well as broad-based framing of issues to help refocus interest and resources on a vital component of the

criminal justice system that largely has been overlooked during the intensive triage period following the October 2011 implementation of public safety realignment.

Proposition 47. CSAC anticipates criminal justice system disruption associated with the implementation of the new sentencing structure imposed by Proposition 47, approved by voters in November 2014. To assess impacts and ensure that counties are well positioned to benefit from allocation of any state savings anticipated in 2016-17, CSAC will work closely with counties, our criminal justice system partners, the Administration, Legislature, the California Department of Corrections and Rehabilitation (CDCR), and other key stakeholders in assessing specific operational and fiscal impacts.

Agriculture, Environment and Natural Resources

Groundwater Legislation Clean-up & Implementation. CSAC will work closely with counties, the Administration and the Legislature regarding needed changes to the new groundwater sustainability laws that will facilitate county implementation without threatening the intent of groundwater sustainability. CSAC serves as the county representative contact at the Administration's regular meetings on the groundwater legislation implementation. CSAC is also organizing several educational forums in 2015 for county officials on the groundwater legislation.

Stormwater Funding. Counties are having difficulty raising revenue to support flood protection infrastructure upgrades and maintenance and compliance with new water quality requirements because of the vote threshold requirements under Proposition 218. CSAC, in collaboration with other public and private stakeholders, will support legislation that would amend Article XIII D, section 6(c) of the California Constitution (Proposition 218) to expand its exemption from the majority-property-owner or 2/3-registered-voter election requirement from "fees or charges for sewer, water, and refuse collection services" to "fees or charges for storm water and flood control, sewer, water, and refuse collection services".

Water Bond Implementation. Proposition 1 (Prop 1), the \$7.5 billion Water Bond was approved by California voters on Nov. 4, 2014. Prop 1 will fund investments in water projects and programs as part of a statewide, comprehensive water plan for California. The ultimate value and effectiveness of the bond will depend on how it is implemented and how the funds are spent. CSAC will work with the Legislature and Administration on the implementation of Prop 1 and guideline development with a specific focus on groundwater management funding, clean drinking water funding, stormwater and flood control programs and Integrated Regional Water Management Planning funds, among other items.

Marijuana Regulation. Similar to last year, the California Police Chiefs Association and the California Cannabis Industry Association are planning to sponsor separate pieces of legislation that would, in differing ways, establish a statewide regulatory framework for the cultivation, processing, transportation, testing, recommendation and sale of medical marijuana. As directed by CSAC policy on medical marijuana, CSAC will continue to advocate for strong local control and environmental protections in the legislation relative to cultivation activities and dispensary operations. In addition, CSAC will continue to oppose proposed requirements that would impose unreasonable enforcement responsibilities onto counties.

Rural Counties Initiative & PILT. CSAC will continue to advocate for a restoration of funds for Payments in Lieu of Taxes (PILT). Additionally, CSAC will advocate for a Rural Infrastructure Program to provide additional funding to California's smallest counties for critical infrastructure investments that ensure the health and safety of California's unique, rural communities. Furthermore, CSAC will continue to advocate for programs of particular importance to rural areas, including farmland and open space preservation and county fairs.

Cap and Trade. The Legislature approved and the Governor signed California's first Cap and Trade Expenditure plan this year, totaling \$872 million in investments to reduce Greenhouse Gas (GHG) emissions in California. In addition, the budget created a framework for how the Legislature will allocate future Cap and Trade auction revenues with 60% of all futures funds dedicated to continuous appropriations for a variety of different program areas (see Housing, Land Use & Transportation section for additional details). However, 40% of Cap and Trade funds have been secured for natural resource investments in future budget years, upon annual appropriation of the Legislature. CSAC will continue to advocate for local government eligibility for these funds, with a focus on programs in the waste management, energy and water resources sectors.

Employee Relations

Pensions. CSAC will participate in a discussion with other public agency stakeholders, the California Public Employees' Retirement System (CalPERS), the Administration and the Department of Finance regarding what should be considered compensation when computing retirement benefits. Since its passage in 2012, the Public Employees' Pension Reform Act (PEPRA) has necessitated cleanup language, including what can be classified as pensionable compensation. CSAC will advocate for maximum flexibility, while maintaining the need for fiscal prudence at both the local and state levels.

CSAC will lead the effort to ensure additional PEPRA cleanup is held as a priority by CalPERS and the Administration, specifically the exemption for public retirees to serve in a locally elected capacity without being forced to reinstate or waive their access to retirement benefits.

Workers' Compensation. CSAC will be active in strongly opposing further efforts by labor organizations to increase such benefits at the cost of public employers.

Open Meetings and Public Records Act. CSAC will join other public agency advocates in ensuring access to open government remains without imposing greater costs to our public agencies.

Collective Bargaining. As is the case each legislative session, labor organizations will undoubtedly attempt to modify the Meyers-Milias Brown Act (MMBA) to make it more difficult for public agencies to balance fair benefits with budgetary needs at the collective bargaining table. CSAC will maintain its strong opposition to any change to MMBA that would provide an unfair advantage to employee organizations.

Government Finance and Operations

Municipal Bankruptcy. The Great Recession has regrettably been marked by three significant municipal bankruptcies in California; the Cities of Vallejo, Stockton, and San Bernardino are going through or have completed the Chapter 9 bankruptcy process in federal court. Stockton's case, however, has brought with it significant implications for other local agencies that find themselves in fiscal crisis. In October, a federal bankruptcy judge ruled that payments to CalPERS (Stockton's pension system) could be reduced by the court.

While Stockton's bankruptcy plan does not include reduced payments to CalPERS, it is likely that the Legislature will view this ruling – the first of its kind in California – as one that poses significant financial risk to CalPERS and its members. CSAC successfully negotiated resolution on the last bill that sought to limit local agencies' access to federal bankruptcy by requiring a neutral mediation process prior to filing (or declaration of a fiscal emergency); however, it is likely that the Legislature will seek to revisit this issue in the coming session.

While legislators have discussed municipal bankruptcy in the past, this new issue brings with it an additional policy consideration: the safety of public employees' retirement provided by CalPERS. We don't yet know where legislative leaders or the Governor will land with regards to an appropriate remedy.

Vote Thresholds for Locally-Approved Taxes. CSAC has long-supported greater revenue raising authority at the local level and will support legislative constitutional amendments to reduce vote thresholds for local taxes. Depending on the outcome of the November election, the Legislature may seriously consider a number of measures that reduce voter approval requirements for a variety of specific purposes; as such a change requires a constitutional amendment, the challenge ahead is to determine the approach that has the best chance for voter support.

Redevelopment Dissolution. Counties remain critical players in the ongoing dissolution of community redevelopment agencies. CSAC is committed to assisting counties in their multiple roles as successor agency, oversight board participants, and tax administrators to ensure consistent and timely communication and coordination among the county, local stakeholders, and the state. Further, CSAC will continue to advocate against unnecessary changes to the current dissolution process in order to ensure that former tax increment revenues flow back to affected taxing entities and that former redevelopment agencies wind down in an expeditious manner. Based on the Governor's veto messages on several bills dealing with redevelopment, the Administration will be taking a leadership role with interested legislators in crafting future solutions.

Mandates. The current process for identifying reimbursable mandates and securing payments owed to local agencies for mandated programs and services is arcane and oftentimes biased against local agencies. While the state is making progress on paying down the debt associated with pre-2004 mandate reimbursements, CSAC will continue to advocate for additional funding to ensure that debt is resolved, as well as future reforms to ensure a more equitable mandate reimbursement process.

Health and Human Services

Renewal of California's Federal Medicaid Section 1115 Waiver. With California's current federal Medicaid Section 1115 Waiver ending in October 2015, the Department of Health Care Services will be submitting their proposal for the subsequent waiver in early 2015. CSAC will remain engaged in the stakeholder processes and will be advocating for another five-year waiver that provides at least the same level of funding for county safety-net providers as the current waiver. The waiver concept paper released by the Administration included a proposal to seek federal approval to fund "shelter," or housing, using Medicaid funds. In collaboration with our county partners, CSAC will advocate for federal funding to test county whole person care pilot programs that aim to integrate health, behavioral health and social services that may include utilizing funding for housing and shelter services.

Drug Medi-Cal Organized Delivery System Waiver. The Department of Health Care Services plans to request a waiver amendment to California's current Section 1115 waiver to operate the Drug Medi-Cal (DMC) program as a county opt-in organized delivery system. Counties choosing to participate would act as specialty health plans for the delivery of substance use disorder treatment, similar to the existing delivery of specialty mental health services at the county level.

CSAC will be advocating for the waiver amendment to include the flexibility to test pilots allowing some counties to assume the role of the specialty health plan, to make integration as seamless as possible, and considerations for rural counties.

The Administration has yet to finalize the financing considerations. They have proposed creating a county-specific sharing ratio based on history and future projections. CSAC will remain engaged in the development of the financing mechanism as it evolves.

Connecting Jail and Health and Human Services. CSAC will continue to seek partnership opportunities with the Department of Health Care services, the Department of Social Services, private foundations and other stakeholders on enrollment, eligibility, quality and improving outcomes for the court-involved population. CSAC will seek opportunities to obtain funds for inpatient hospitalizations, including psychiatric hospitalizations, for adults and juveniles while incarcerated. CSAC will also seek opportunities to connect the court-involved population to social services that will improve outcomes and reduce recidivism.

AB 85 Formulas. CSAC will continue to engage the Administration and monitor the integrity of the mechanics associated with the diversion of the 1991 Health Realignment funds under AB 85.

Poverty. California's poverty rate continues rank amongst highest in the nation. Poverty undermines the success of our programs and the families we serve. It is anticipated that several bills and issues related to poverty will be introduced in the upcoming legislative session. CSAC will convene a workgroup to establish policies to address poverty and homelessness at the county level.

Congregate Care Reform. CSAC will continue to engage the Department of Social Services as their proposal to redesign the foster care agency and group home system moves forward. Counties are especially interested in potential fiscal impacts and retaining the flexibility to ensure the best placement option for each child in the foster care system.

Eliminating EBT Fees. CSAC has joined a coalition to advocate for a reduction in the amount of bank fees that CalWORKs and CalFresh recipients pay through the use of the Electronic Benefit Transfer (EBT) system California families that qualify for and receive public assistance on Electronic Benefit Transfer (EBT) cards currently pay about \$19 million a year from their grant amounts to withdraw cash from ATMs or check their account balances.

Housing, Land Use and Transportation

New Revenue for Transportation Infrastructure. CSAC will continue to work with a coalition of transportation stakeholders to identify and evaluate viable new revenue options to replace and/or augment the gasoline excise tax (gas tax) for transportation infrastructure investments. The local street and road system is facing a more than \$7 billion annual shortfall for the maintenance and preservation of the existing system, let alone other critical modes of transportation. Mileage-based road user charges seem to be gaining traction as a potential replacement revenue source. Accordingly, CSAC will participate in the California Transportation Commission's Road User Charge (RUC) Technical Advisory Committee (TAC) to inform the development of a vehicle miles traveled based demonstration project in California.

Even if the state moves to replace the gasoline excise tax with a RUC, implementation will take many years. CSAC will also explore interim revenue options to bridge the funding gap in the short-term. This will include options such as securing the near-term repayment of approximately \$1.2 billion in existing transportation loans, returning truck weight fees back to transportation (\$950 million is currently being diverted to pay transportation related general fund bond debt service), identifying a replacement revenue source to pay existing and future transportation bond debt service, new transportation infrastructure bonds, and reducing the voter threshold for local transportation sales tax measures (estimated to potentially generate over \$300 million annually for local transportation priorities). Additionally, CSAC will continue to work with stakeholders to sunset the existing diversion of \$128 million in annual Highway User tax Account (HUTA) revenue to the general fund. Staff will also continue to monitor gas tax subventions to counties to ensure counties receive accurate levels of funding.

Permanent Source for Affordable Housing. Safe, decent and affordable housing is the foundation of healthy and sustainable communities. The Department of Housing and Community Development (HCD) reports that 1 million Californians lack access to affordable housing, that 2 in 3 renters are overpaying, and that 1 in 5 renters have overcrowded households. The Affordable Housing and Sustainable Communities (AHSC) Program provides an opportunity to invest new revenues into building affordable housing in the state but a more flexible permanent source of funding, not limited to GHG-related funds, is also needed. CSAC will support efforts to create a permanent source for affordable housing.

CSAC will continue regular conversations with the department to ensure state oversight of local planning activities is commensurate with statutory authority. The challenge of affordable housing requires a proactive partnership between counties, cities and the state. CSAC staff will work to develop new relationships and find ways to partner together to incentivize and encourage planning for affordable housing in California.

Cap and Trade Implementation. A significant majority of cap and trade auction revenues were continuously appropriated in the FY 2014-15 state budget, including 20-percent of all future cap and trade auction proceeds for affordable housing and sustainable communities. With the fuels coming under the cap in 2015, auction revenues are expected to grow significantly into the future. CSAC will continue to work with the Strategic Growth Council (charged with implementing the AHSC program) and other state agencies and departments to ensure all counties are eligible to apply for grants and loans under the program and that eligible projects include improvements to the local street and road network that have greenhouse gas (GHG) emissions reductions benefits and provide the right-of-way for active transportation and mass transit.

Sixty-percent of all cap and trade auction proceeds have been budgeted on an on-going basis. The other 40-percent of revenues were allocated on a one-time basis in FY 2014-15 for energy, water and natural resource programs and projects. This puts the appropriation of 40-percent of cap and trade revenues squarely in the middle of budget negotiations between the Administration and Legislature on an annual basis.

Tribal and Intergovernmental Affairs. CSAC will proactively engage with the Administration and Legislature to influence the renegotiation of 1999 Tribal-State Gaming Compacts which are set to expire in 2019. CSAC's priorities for the revised compacts include requiring judicially enforceable local mitigation agreements for any new or expanded gaming or related facilities, a more robust tribal environmental review process with state oversight to ensure adequacy of environmental documents, and ensuring robust mitigation mechanisms for preexisting local off-reservation impacts from gaming enterprises underway prior to date of any new compacts.

The Special Distribution Fund (SDF), the sole mechanism for mitigation of local impacts under the 1999 compacts, is insolvent. Starting in FY 2014-15, counties will no longer receive SDF grants unless the Legislature and Governor backfill the account or gaming revenues paid into the account increase. CSAC will seek a \$9 million appropriation to fund the SDF grants to counties until Tribal-State Gaming Compacts are renegotiated to replace the SDF with local agreements.

CSAC 2015 FEDERAL ADVOCACY PRIORITIES

CSAC staff, in consultation with Waterman and Associates, developed the following list of federal issues of significance to California's counties. These issues will represent the association's top lobbying priorities for 2015, with CSAC staff and Waterman and Associates working together to identify other emerging topics that may necessitate action throughout the year.

MAP-21 Reauthorization. CSAC will continue to promote a number of key transportation priorities as part of the ongoing highway and transit reauthorization process. Among other issues, the association strongly supports a dedicated federal funding stream for local bridges, both on- and off-system. Additionally, CSAC is seeking opportunities to: further streamline the regulatory and project delivery processes; promote programs that increase safety on the existing transportation system; and, advocate for initiatives that protect previous and future investments via system maintenance and preservation.

State Criminal Alien Assistance Program. CSAC will continue to serve as a lead advocate in efforts to protect - as well as enhance - the SCAAP program, which is a key source of federal funding for a significant number of California's counties. CSAC will fight to eliminate statutory language that authorizes the U.S. Department of Justice to transfer up to 10 percent of SCAAP funding to other justice accounts.

CSAC also will continue to advocate for a long-term reauthorization of SCAAP and will continue to seek several key programmatic changes to the program. Such changes could come about as part of an immigration-reform effort.

Native American Affairs/Fee-to-Trust Reform. CSAC will continue to lead local government opposition to any legislative effort that would overturn the Supreme Court's *Carcieri v. Salazar* decision absent concomitant reforms in the Indian fee-to-trust process; likewise, the association will continue to promote its comprehensive legislative reform proposal. CSAC will continue to oppose administrative changes to the federal acknowledgment process that would diminish the role of local governments and other interested parties.

Payments-in-lieu-of-Taxes. CSAC will continue to advocate for a long-term reauthorization of mandatory entitlement funding for the PILT program. In the absence of a long-term renewal, CSAC will support full funding for PILT via the appropriations process. Mandatory funding for PILT expired in fiscal year 2014, and final payments were distributed to counties in June.

Secure Rural Schools Act Reauthorization. CSAC will maintain efforts aimed at securing a multi-year reauthorization of the SRS program. Absent a long-term program renewal, CSAC supports a short-term extension of the Act. The program expired at the end of fiscal year 2013, and final payments were distributed to eligible counties in April of 2014.

Property Assessed Clean Energy Program. CSAC supports legislative and administrative remedies that would help expand residential PACE programs. The Federal Housing Finance Agency (FHFA) issued a directive in 2010 that effectively shut down PACE programs in California and across the country. Bipartisan legislation that would prevent FHFA from adopting policies that contravene established state and local PACE laws remains on the table.

Water Resources. CSAC will monitor legislative proposals to ensure consistency with the association's comprehensive policy direction on water. Given the ongoing drought, various interests continue to pressure California's congressional delegation and the Obama administration to address the state's chronic water shortage. A 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 continue to promote legislation that would provide a *Clean Water Act* Section 404 permitting exemption for maintenance removal of sediment, debris, and vegetation from local flood control channels and basins.

CSAC also will continue to monitor and support congressional efforts to block EPA's administrative actions aimed at expanding regulatory authority over certain bodies of water. The EPA's proposed "Waters of the U.S." regulation remains highly controversial and is opposed by a variety of stakeholders, including state and local governments, agricultural interests, and the Small Business Administration.

Remote Sales Tax Legislation. CSAC will continue to advocate for federal legislation - the *Marketplace Fairness Act* - that would authorize state and local governments to require tax collection and remittance by remote sellers. Under current law, online retailers are exempt from collecting sales taxes in states where they have no physical presence, or "nexus." In these situations, the consumer is responsible for calculating the use tax and remitting the payment to the relevant jurisdictions, but compliance is low. As online sales continue to grow, local governments are losing billions of dollars in uncollected sales tax revenue.

Temporary Assistance for Needy Families Reauthorization. CSAC will continue to promote TANF reauthorization legislation that would restore state and county flexibility to tailor work and family stabilization activities to families' individual needs. The association also supports maintaining the focus on work activities under TANF, while recognizing that "work first" does not mean "work only."

Child Welfare Services. CSAC supports increased federal funding for services and income support needed by parents seeking to reunify with children who are in foster care. The association 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 supports retaining the entitlement nature of the Title IV-E Foster Care and Adoption Assistance programs and elimination of outdated rules that base the child's eligibility for funds on parental income and circumstances. Finally, CSAC supports federal funding to address the service needs of youth who are victims of commercial sexual exploitation.

In 2014, Congress approved the *Preventing Sex Trafficking and Strengthening Families Act* (HR 4980). The new law makes several federal reforms to better serve foster youth and includes provisions that focus on the emerging issue of sex trafficking of minors. While the Act exemplifies the bipartisan approach that Congress typically takes on child welfare issues, sufficient funding is needed to support the goals of the law.

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.

U.S. Army Corps of Engineers' Levee Vegetation Removal Policy. In 2014, Congress approved a major water resources reform bill known as the *Water Resources Reform and Development Act* (PL 113-121). Among other things, the legislation includes language championed by CSAC that requires the U.S. Army Corps of Engineers to undertake a comprehensive reexamination of its controversial levee vegetation removal policy. CSAC will actively monitor the Corps' review process, which, under the law, must be concluded by December 10, 2015.

Health Reform Implementation. CSAC will support continued federal funding for the Affordable Care Act, including measures supporting state and county administration of the law.

Pension Tier Changes - Conflict with IRS Requirements. CSAC will continue to support legislation (HR 205) that would clarify the authority of local governments to propose and implement creative solutions to rising pension costs. At the same time, the association will urge the Internal Revenue Service (IRS) to remove regulatory barriers that prevent local governments from implementing their own local pension reforms.

Tax-Exempt Status of Municipal Bonds. CSAC will oppose any proposal that seeks to limit or eliminate the tax treatment of municipal bonds. Under current law, investors are not required to pay federal income taxes on interest earned from most bonds issued by state and local governments. The tax exempt status of municipal bonds therefore provides counties with a cost-effective tool to finance public infrastructure projects and capital improvements.

National Flood Insurance Program (NFIP). CSAC supports the creation of a new agricultural flood hazard area under the National Flood Insurance Program (NFIP). Specifically, Congress should establish a FEMA flood zone for agriculturally-based communities to allow replacement or reinvestment development in historically agricultural floodplains. This program would not require expensive elevation of structures or dry flood proofing, but would still have requirements for wet flood proofing certain structures. Congress should instruct FEMA - for these special agricultural zones - to adjust the NFIP rate to be more actuarially structured in order to evaluate the actual flood risk based on levees providing historical protection, as opposed to assuming that no protection exists.

It should be noted that Congressman John Garamendi (D-CA) introduced such legislation - the *Flood Insurance for Farmers Act of 2012* (HR 4020) - in the 112th Congress. The congressman is expected to reintroduce the bill in the 113th Congress.

Community Development Block Grant. CSAC will promote increased 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. CDBG funds have been targeted for cuts in recent budget cycles, making it increasingly challenging to maintain adequate funding for the block grant.

Eliminate Inmate Exception. CSAC supports the elimination of the federal health benefits "inmate exception" for persons in county jails and detention centers who are in custody pending disposition of charges. Counties are prohibited from billing federal programs for the health services provided to jail inmates prior to adjudication.

Digital Goods and Services Tax Fairness Act. CSAC will oppose legislation that would prohibit state and local governments from imposing taxes on digital goods and services that are taxable under current law. Digital goods and services are online purchases that are downloaded directly by consumers, including music downloads, movies, and newspaper subscriptions. House Judiciary Chairman Bob Goodlatte (R-VA) may seek to package such a proposal with remote sales tax legislation.

Byrne Grant Funding. CSAC strongly supports prioritizing Byrne funding in the annual appropriations process and will work collaboratively with the California congressional delegation and others to secure and promote increased funding for the program and the positive local outcomes it helps achieve.

Federal Geothermal Royalties. CSAC opposes any legislative effort that would discontinue geothermal royalty payments to county governments. 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.

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.

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.

Medical and Long-Term Care Premiums. CSAC supports federal legislation to extend to all retirees the option to use tax free distribution from qualified retirement plans to pay for medical and long-term care premiums. In the Pension Protection Act of 2006, Congress granted specified

public safety officers the ability to use up to \$3,000 per year of tax-free dollars from their qualified retirement plans to pay for medical and long-term care premiums. Extension of this benefit to all retirees who participate in a qualified retirement plan could encourage people to save more while lessening the burden on government budgets to cover rising health care costs.

Municipal Bankruptcy. CSAC will monitor the progress of legislation (H.R. 95, Conyers), which would, among other provisions, modify conditions for confirming a Chapter 9 municipality bankruptcy plan to provide special protection for employees protected by a collective bargaining agreement and for retirees whose benefits would be modified under the Chapter 9 plan.

DRAFT

INTEROFFICE MEMORANDUM

TO: ELIZABETH ESPINOSA
FROM: RODNEY BROOKS
SUBJECT: PROPOSED AGENDA ITEMS FOR THE ADMINISTRATION OF
THE JUSTICE COMMITTEE
DATE: FEBRUARY 11, 2015

As Vice-Chair of the Committee, the Supervisor Carson would like to put forward the issues below for consideration as action items at the next committee meeting.

Challenge #1: There are a significant number of the second strike offenders where both offenses are non-violent in state prison; their ability to earn day for day credit (for every day of good behavior served you can get credit for a second day) is capped at 33.3% of their sentence (up from 20%). Second strikers are eligible for parole once they have served 50% of their time (actual time and time they have received as credit.)

Second strikers with a non-violent new conviction, but a violent fist conviction can only get credit for a maximum of 15% of their sentence.

Proposed Solution: Propose legislation allowing for all second strikers to be eligible to receive 50% credit for time served.

Challenge #2: It is at the discretion of local County Probation Departments to decide if they want to charge a fee, or impose a sliding scale for the sealing of juvenile records.

Proposed Solution: Implement legislation to waive the fee for any individual/family whose income is the less than 138% of the federal poverty level.

Challenge #3: A significant number of "lifers" are doing time in Security Level 4 facilities, many of which do not offer substance abuse counseling. If you are in a facility that does provide substance abuse counseling; prior to your release counseling staff will assist you in the your exit plan by contacting drug rehab facilities in the community, and arrange placement upon release. If you are in a Level 4 facility without drug and alcohol programming and counselors, you are forced to contact the facilities on your own and try to arrange your admission.

Proposed Solution: Require that the Department of Corrections and Rehabilitation provide the outreach and placement services for any inmate at any level facility who needs to enter a drug and alcohol facility upon release.

Challenge#4: Women who have children or custody of a child are eligible for “alternative custody” in certain circumstances. Men who are fathers or have custody do not have eligibility for alternative custody.

Proposed Solution: Enact legislation that allows for alternative custody for men the under same circumstances that are provided for women.

Challenge#5: People returning to our communities from incarceration often have fines and fees that prevent them from successfully re-entering our communities.

Proposed Solution: Waive all fees and fines for people and families at or below 138% of the poverty level.

Challenge #6: Housing and other support for the reentry population beyond their parole/probation period ends early for some, due to positive behavior.

Proposed Solution: Continue to provide support beyond their supervision period until and individual or family has a demonstrated income at or over 138% of the federal poverty level for 6 months.

Challenge #7: Since the passage of Prop. 47, there is no uniform way for counties to calculate the savings, or framework for reinvesting the savings.

Proposed Solution: Develop a uniform method for counties to calculate their Prop. 47 savings and provide a framework, for how to spend the savings (education, drug rehab services.)

Challenge #8: Juveniles and Adults who are have competed EMT training, and have a conviction, become licensed, at the discretion of the local EMS Director.

Proposed Solution: Develop a process that allows each candidate to address the EMS Director and demonstrate what they have done in the area of rehabilitation; which would be the criteria to decide if they receive the license or not.

ITEM IV
Review of Governor's Proposed 2015-16 Budget



February 6, 2015

TO: CSAC Administration of Justice Policy Committee

FROM: Elizabeth Howard Espinosa, Hurst Brooks Espinosa, LLC
Darby Kernan, CSAC Legislative Representative

RE: **Review of Governor's Proposed 2015-16 Budget**

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This informational item provides details on the principal justice-related items of interest to counties addressed in the Governor's proposed 2015-16 budget. Of note are the revenue updates to the various 2011 Realignment accounts and subaccounts, as detailed in the table on page 5 of this memo.

Beginning in early March, Senate and Assembly budget hearings will get underway to consider the Governor's budget proposals. CSAC recently addressed a budget letter to the Governor identifying counties' budget priorities; a copy of that letter is attached.

CSAC staff will keep counties apprised of developments on key issues of interest in the months ahead leading up to the constitutional budget deadline.

**Excerpt from CSAC's Summary of Governor's Proposed 2015-16 Budget
Administration of Justice Items**

2011 Realignment. The Governor's budget updates revenue assumptions for 2011 Realignment programs and details for the first time base and growth assumptions for 2015-16. Notably, those figures for the Community Corrections Subaccount (AB 109) are estimated to be \$1.06 billion in base and \$113.7 million in growth. Also significant for counties' planning purposes is that the 2014-15 Community Corrections Subaccount growth figure – an allocation that will be made in September or October 2015 – has been revised downward to \$127.7 million. By way of comparison, the most recent revenue estimates from the Governor's 2014 May Revision had estimated the 2014-15 growth level at \$151.8 million. The estimated 2011 Realignment revenue levels will be revisited and revised in this spring's May Revision.

Counties should also note that the Enhancing Law Enforcement Activities Subaccount – which funds a dozen or so local assistance programs including Citizens' Option for Public Safety, the Juvenile Justice Crime Prevention Act, rural and small county sheriffs program, among others – should achieve its guaranteed funding level of \$489.9 million with VLF alone, with healthy growth available in 2014-15 (an estimated \$36.2 million) and 2015-16 (an estimated \$56.2 million).

The budget also includes another round of planning grants totaling \$7.9 million for Community Corrections Partnerships (CCPs) to support work associated with ongoing AB 109 implementation efforts. Counties will recall that the planning grants are disbursed in fixed amounts, depending on the county's size. As in past years, it is expected that receipt of the grants will be conditioned upon reporting to the Board of State and Community Corrections regarding AB 109 implementation plans.

SB 678 Funding. The budget assumes sustained SB 678 funding, reflecting counties' ongoing success under the 2009 performance-based probation funding program. Using the same methodology as that which was employed in 2014-15, the Governor's proposed budget estimates \$125 million would be available for distribution to county probation departments in 2015-16. The budget narrative indicates that the Department of Finance plans to continue work with the Judicial Council, Chief Probation Officers of California (CPOC), and the California Department of Corrections and Rehabilitation (CDCR) on revising the SB 678 formula to account for population impacts associated with recent reforms – specifically 2011 public safety realignment and Proposition 47. The budget recognizes the significance of this funding stream in supporting probation's important evidence-based prevention and intervention efforts.

Recidivism Reduction Fund (SB 105, 2013). In 2013, as the result of a negotiated agreement between the Administration and Legislature, the Governor approved SB 105, which authorized expenditures of up to \$315 million to support the state's efforts to comply with the three-judge panel prison population reduction order. As specified in that measure, the state was to dedicate any unspent SB 105 funds to the Recidivism Reduction Fund (RRF). In 2014-15, the RRF apportioned a total of \$91 million to an array of recidivism reduction and crime prevention programs. The Governor's budget assumes that an additional \$26.2 million will be available in the RRF in 2015-16, both because of additional savings (\$12.2 million) achieved above the 2014 Budget Act assumptions and unspent resources (\$16 million) from the current year due to delays in program implementation.

Further, pursuant to the provisions of SB 105, the Department of Finance released its final report on an assessment of the state prison system and recommendations regarding cost-effective, balanced public safety solutions. It is available on Finance's website at www.dof.ca.gov.

Court-Ordered Debt Collection: Amnesty Program. The Governor's budget assumes additional revenue associated with an 18-month amnesty program for debt that was delinquent as of January 1, 2013. The narrative notes that the State Penalty Fund – which, in turn, distributes revenues to eight special funds – has experienced a significant decline in recent years, causing structural deficits in the programs it supports. Notably, the Peace Officers' Training Fund and the Corrections Training Fund are expected to become insolvent in 2015-16. The amnesty program is intended to help address the insolvency issue, and the budget assumes approximately \$12 million in additional penalty assessment

revenue resulting from implementation of the amnesty effort. The Administration expresses a commitment to address the long-term solvency of the State Penalty Fund.

Corrections. The budget document provides an extensive update on the state's efforts to comply with the three-judge panel orders relative to prison overcrowding. As counties will recall, the federal court granted the state in a February 2014 order, an additional two years to meet the previously imposed population cap. Before February 28, 2016, the state must reach 137.5 percent of design capacity, and it appears that through the use of a variety of measures – such as infill expansion and use of contract beds – the threshold will be reached by the deadline.

The Governor's budget narrative details the status of the various population reduction strategies underway. These strategies, all of which have been discussed in court documents, include:

- Prospective credit-earning increase for non-violent and non-sex registrant second strikers;
- Parole determination process for certain inmates with indeterminate sentences with future parole dates;
- Expanded medical parole process;
- New parole process for inmates aged 60 years or older having served a minimum of 25 years;
- Activation of 13 prison reentry hubs;
- Expanded alternative custody program for female inmates;
- New (beginning January 1, 2015) parole determination process for non-violent, non-sex registrant second strikers who have completed 50 percent of their sentence;
- Increased credit earnings (effective January 1, 2015) for certain minimum custody inmates;
- Expansion of pilot reentry programs with additional counties and local communities.

The budget includes an additional \$16 million in funding that will be directed to county probation departments to cover costs associated with the increase in post-release community supervision population as the result of the two measures implemented in January 2015.

Proposition 47. The Governor's 2015-16 budget does not allocate new funds – with the exception of an augmentation to the courts' budget for workload impacts – associated with the implementation of sentencing changes enacted pursuant to the voter-approved initiative. The budget narrative reiterates the provision in Proposition 47 that the state must calculate state correctional savings achieved as a result of the measure's provisions by July 31, 2016 (and every July thereafter). Any identified savings for the first year of implementation would be allocated in 2016-17, as specified in the initiative. The majority

of the savings would be dedicated to behavioral health programs (65%), with a portion earmarked for truancy prevention programs (25%) and the balance to increase victim services grants (10%).

Cross-Cutting Issues with Health and Human Services. Please refer to the Health and Human Services section for a summary of the budget's discussion of two issues with implications for the criminal justice system: the Incompetent to Stand Trial (IST) and the high cost of certain pharmaceuticals, specifically Hepatitis C treatment.

Judicial Branch. The budget proposes \$180 million in judicial branch augmentations, largely consistent with a two-year funding approach agreed to in 2014-15. The funding increases tie to the following programmatic or operational impacts:

- \$90.1 million to support trial court operations;
- \$42.7 million to cover trial court employee costs;
- \$19.8 million to offset flagging fine and penalty revenues assumed in 2015-16;
- \$26.9 million to cover increased court workload associated with the implementation of Proposition 47.

Also of interest to counties is the Administration's interest in exploring funding for dependency counsel. Noting that in certain jurisdictions caseloads for counsel who represent abused and neglected children and their parents in dependency cases run far above a recommended standard, the budget commits to examining – with the involvement of the Judicial Council – a caseload-based allocation methodology as well as ways to reduce the number of cases per attorney.

City Law Enforcement Grants. The budget proposes another round of grants (\$40 million) to support city law enforcement activities. The BSCC, as it has in previous years, would function as the state administrative agency to disburse the grants to individual cities that serve as a fiduciary agent in each jurisdiction.

2011 Realignment Estimate¹ - at 2015-16 Governor's Budget

	2013-14	2013-14 Growth	2014-15	2014-15 Growth	2015-16	2015-16 Growth
Law Enforcement Services	\$2,124.3		\$2,078.3		\$2,248.4	
Trial Court Security Subaccount	508.0	9.8	518.1	17.0	535.1	15.2
Enhancing Law Enforcement Activities Subaccount ¹	489.9	24.6	489.9	36.2	489.9	56.2
Community Corrections Subaccount ²	898.9	73.1	934.1	127.7	1,061.7	113.7
District Attorney and Public Defender Subaccount ²	17.1	4.9	15.8	8.5	24.3	7.6
Juvenile Justice Subaccount	110.4	9.8	120.4	17.0	137.4	15.2
<i>Youthful Offender Block Grant Special Account</i>	<i>(104.3)</i>	<i>(9.3)</i>	<i>(113.8)</i>	<i>(16.1)</i>	<i>(129.9)</i>	<i>(14.4)</i>
<i>Juvenile Reentry Grant Special Account</i>	<i>(6.1)</i>	<i>(0.5)</i>	<i>(6.6)</i>	<i>(0.9)</i>	<i>(7.6)</i>	<i>(0.8)</i>
Growth, Law Enforcement Services	122.2	122.2	206.4	206.4	207.9	207.9
Mental Health³	1,120.6	9.1	1,120.6	15.8	1,120.6	14.1
Support Services	2,829.4		3,022.0		3,322.3	
Protective Services Subaccount	1,637.0	112.0	1,970.7	153.5	2,124.2	126.8
Behavioral Health Subaccount ⁴	892.4	60.0	1,051.3	146.7	1,198.1	140.9
<i>Women and Children's Residential Treatment Services</i>	<i>(5.1)</i>	<i>-</i>	<i>(5.1)</i>	<i>-</i>	<i>(5.1)</i>	<i>-</i>
Growth, Support Services	181.1	181.1	316.0	316.0	281.8	281.8
Account Total and Growth	\$6,377.6		\$6,743.3		\$7,181.0	
Revenue						
1.0625% Sales Tax	5,863.1		6,217.2		6,634.9	
Motor Vehicle License Fee	514.5		526.1		546.1	
Revenue Total	\$6,377.6		\$6,743.3		\$7,181.0	

This chart reflects estimates of the 2011 Realignment subaccount and growth allocations based on current revenue forecasts and in accordance with the formulas outlined in Chapter 40, Statutes of 2012 (SB 1020).

¹ Allocation is capped at \$489.9 million. 2013-14 growth will not add to subsequent fiscal year's subaccount base allocations.

² 2013-14 and 2014-15 growth is not added to subsequent fiscal year's subaccount base allocations.

³ Growth does not add to base.

⁴ The Early and Periodic Screening, Diagnosis, and Treatment and Drug Medi-Cal programs within the Behavioral Health Subaccount do not yet have a permanent base.

February 9, 2015



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The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol
Sacramento, CA 95814

Dear Governor Brown,

California counties appreciate our ongoing partnership and collaboration with you and your administration. Together, we have successfully developed and implemented historic reforms in public safety and health care over the last few years. We are now partnering once again to tackle numerous issues surrounding water supply, water quality, and groundwater usage as we begin to implement the recently passed water bond and ground water legislation.

We also wish to thank you for listening to our concerns and including a number of our proposals in your 2015-16 January budget proposal. As you know, CSAC continues to support budgetary efforts that strike a balance between continued fiscal prudence and an investment in programs and services that are critical to the prosperity of all Californians. With a currently balanced budget and a plan in place to help weather future economic volatility, the state is well positioned to make targeted investments in 2015-16 to spur continued economic growth and invest in our future, particularly as it relates to transportation.

SUPPORT FOR ITEMS INCLUDED IN THE 2015-16 JANUARY BUDGET PROPOSAL

Mandates. We strongly support the additional \$533 million expected to be paid to local agencies for pre-2004 mandates as a result of the trigger mechanism contained in the 2014-15 budget and the state's improved fiscal outlook. This would mean approximately \$390 million for California's counties to assist in meeting the needs of the people we serve and benefiting local communities across the state.

Payment in Lieu of Taxes. CSAC appreciates the inclusion of \$643,817 in Payment in Lieu of Taxes (PILT) funds in the proposed budget. PILT has not been paid to counties and other local entities since 2002. This discretionary revenue stream is very important to our rural communities throughout California, particularly those areas that have not shared in the economic recovery occurring in many regions of the state.

County Probation/SB 678. We support the \$125 million for the California Community Corrections Performance Incentive Act of 2009 established by SB 678. Last year's budget also laid the groundwork for expanding the SB 678 population formula to include Post Release Community Supervision (PRCS) and split sentence offenders. In light of the passage of Proposition 47 and the

impact it is having on probation departments throughout California, reviewing who is included in the SB 678 formula is an important step in maintaining the efficacy of this successful program.

Medi-Cal Administrative Costs. We also extend our thanks for the current year budget adjustment of \$150 million (\$48.8 million General Fund) for county Medi-Cal administrative costs as California completes the first calendar year of Affordable Care Act implementation.

Fairs. CSAC supports the inclusion of \$10 million in funding for the network of California fairs, including approximately \$3 million in General Fund monies to assist with fair operations and \$7 million for deferred maintenance at California fairs. We view this as a positive first step towards ensuring the proper maintenance and preservation of these critical state assets.

On behalf of the 58 counties in California we thank you for including the proposals outlined above in your January budget proposal. We certainly appreciate the aspects of the proposal that will aid counties in investing in local communities, begin the conversation on reinvesting in California's transportation systems, and reduce greenhouse gas emissions through the investment of cap and trade auction proceeds.

ADDITIONAL PRIORITIES FOR THE 2015-16 STATE BUDGET

Transportation Funding. Counties appreciate the budget proposal's frank discussion of the significant unmet funding needs of California's transportation infrastructure. The 2015 Five-Year Infrastructure Plan identifies \$59 billion in deferred maintenance on the state highway system. While CSAC recognizes the enormous maintenance backlog on the state highway system, the Plan did not recognize the similarly staggering needs on the local street and road system. Over a ten-year period, the unmet funding needs for the maintenance of existing locally-owned facilities, which include essential components like bicycle and pedestrian infrastructure, are nearly \$80 billion.

The State of California and its local governments have historically worked together to promote the seamless transportation system that our constituents expect, whether by allocating state and federal gas tax to local projects or applying local sales tax revenues to improve state facilities. CSAC is supportive of a broad array of potential funding increases and looks forward to working with the administration, Legislature and other stakeholders to develop both immediate and long-term funding proposals for the entire transportation system our citizens depend upon to meet their mobility needs.

Mentally Ill Offender Crime Reduction Grants (MIOCR). The 2014-15 budget reestablished the successful MIOCR county grant program with an \$18 million investment for county diversion programs for both juveniles and adults entering the county criminal justice system with severe mental illness. The MIOCR grant program has been successful in the past because it required a collaborative planning process with law enforcement, corrections, probation, mental health and other agencies, which build further on the AB 109 Community Corrections Partnership process. The

Board of State and Community Corrections is expected to allocate the first round of MICOR grants by June. To build on the prior success of the MICOR program, CSAC is advocating for an additional \$50 million for adult and juvenile MICOR grants in the 2015-16 budget.

Cap and Trade. The 2014-15 budget provided for the appropriation of \$850 million in proceeds from the cap and trade program for affordable housing and sustainable communities, low-carbon transportation, sustainable agriculture, energy efficiency, and waste diversion. Counties have been working to address climate change, which has the potential to dramatically impact multiple aspects of human life, by voluntarily implementing innovative programs at the local level and are helping the state meet ambitious goals to reduce our GHG emissions while improving the quality of life for all Californians. While the 2014-15 budget provided continuous appropriations for some of these critical programs, the administration and Legislature have an opportunity to make additional investments in GHG reducing programs and activities. Specifically, CSAC requests the creation of a new competitive grant program for local governments to fund projects related to waste management, energy efficiency and water.

Mandates. Even with the additional \$533 million payment for the pre-2004 mandate debt there is still an outstanding debt of \$267 million. We greatly appreciate consideration of retiring this debt in the 2015-16 budget. Paying off the last of these debts to counties, cities, and special districts provides the dual benefits of reducing the state's debt burden while still spending the funds on public services, since the bulk of county general funds go to public safety and health and human service programs.

Further, we are worried about other mandate issues. Your proposal to suspend the Interagency Child Abuse and Neglect mandate before any payments are made has the effect of making the program optional in the future, but denies counties reimbursement for the substantial costs they incurred carrying out the program for the past fifteen years. Suspending the mandate does not relieve the state of the obligation to pay; it simply becomes another debt on the state's books. The published justification that the mandate is "long-standing" only highlights the fact that the state's system, which is statutorily required to be completed within one year, has instead taken a decade and a half. It is unfair to justify withholding funds from counties by citing the length of time the state itself has taken to determine that funds should be paid.

We would also like to briefly point out that the pre-2004 mandates are not the only debts the state owes to counties and other local agencies. Counties are still owed about \$350 million for the AB 3632 program that the state has since transferred to schools. The state also owes local agencies two years of costs for every mandate it has suspended since 2004. We look forward to exploring ways to repay these debts that make sense for both local agencies and the state.

PILT. While we certainly support the payment of one year of PILT as proposed in your 2015-16 budget, we also support payment of the outstanding obligation to local governments for this program. In addition, we believe it would be appropriate for the Administration to fund the PILT

payment to counties as part of the Department of Fish and Wildlife baseline budget on an ongoing basis to help ensure future payments are made in a timely manner. California Fish and Game Code Section 1504 specifies that when income is derived directly from real property acquired and operated by the state as wildlife management areas, the department shall pay annually to the county in which the property is located an amount equal to the county taxes levied upon the property at the time title to the property was transferred to the state. The payments are intended to offset adverse impacts on property tax revenue that result when the state acquires private property for wildlife management areas.

Special Distribution Fund. Many counties are dependent upon the Indian Gaming Special Distribution Fund (SDF) as the sole source of revenue to offset the impacts of Indian Gaming on county government services ranging from law enforcement to transportation. As you know, there was no funding available for local government grants in the current budget year. The projections for the SDF in the proposed budget make an appropriation this year equally unlikely. CSAC requests a \$9.1 million General Fund appropriation to support local government grants to mitigate Indian gaming impacts until a broader fix for the SDF is implemented. Counties are prepared to discuss ways to reform and recast the SDF program in light of its current structural problems.

Again, California's counties wish to thank you for your continued partnership and collaboration in your third term, and we look forward to working together during your fourth to build on previous policy successes while forging a brighter future for all Californians.

Respectfully,

A handwritten signature in black ink that reads "Matthew Z. Cate". The signature is written in a cursive, flowing style.

Matthew Cate
Executive Director

ITEM V
**Update on Protocol for Issuance of Identification
Cards for Inmates in Local Custody**



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DATE: February 6, 2015

TO: CSAC Administration of Justice Policy Committee

FROM: Elizabeth Howard Espinosa, Hurst Brooks Espinosa, LLC
Darby Kernan, CSAC Legislative Representative

RE: Update on Protocol for Issuance of Inmate Identification Cards

Background. At its November 2014 meeting, the CSAC Administration of Justice Policy Committee took action to pursue options for establishing a statewide protocol for issuing state identification (ID) cards to inmates in local custody. As discussed at that time, there is a statewide interest in finding ways to support counties' efforts to build strong reentry bridges for the court-involved population. The public safety and societal benefits of successful community reintegration are obvious – decreased victimization, increased public safety, and improved outcomes for the individuals and their families.

One element that may affect a person's ability to successfully re-connect in the community is a fairly basic need: a valid ID card. The Department of Motor Vehicles (DMV) issues California ID cards, which look like a driver's license but are used only for identification purposes. This document can be critical in opening doors for housing, employment, and health care – all important elements in positive community reintegration and reduced recidivism.

At its last meeting, the committee directed staff – an action subsequently approved by the Board of Directors – to undertake all of the following:

1. Further explore the issue with key county contacts and public safety partners;
2. Return to the policy committee at its next meeting with an update on progress and an identification of key issues; and
3. Identify potential participants in the effort that would be necessary to successfully engage in this undertaking.

Update/Key Issues. Following a number of conversations in the intervening months, staff has begun to identify key issues and discussion points that need to be addressed as part of this effort. It appears that the County of Los Angeles may be the furthest along in establishing a local program in partnership with the DMV to assist inmates in securing an ID card upon release from custody. Additionally, the County of San Diego has taken action to support efforts to develop a statewide approach to providing California ID cards to those nearing their release date from local custody and those on probation supervision.

As we advance work on this effort, there are a number issues to discuss and address, including, but not limited to: eligibility, fee waivers, costs (state and local), scope of work at

county level, interaction with DMV for processing of applications (information sharing/verification with DMV, what address to list on an individual's ID card, where to mail ID card depending on person's release date), and coordination regarding organ donation. The County of San Diego has already undertaken significant local efforts to explore these issues and has graciously offered staff time and support to assist in CSAC's efforts. The experience in establishing a program in Los Angeles County also will be instructive.

The DMV continues to be very supportive of this partnership and is willing to lend their technical expertise and other assistance to advance this effort. Another discussion is planned with DMV officials prior to the policy committee.

Next Steps. Staff will work to identify a process and participants to undertake the more detailed work necessary to develop and recommend a statewide protocol to guide this effort.