



CITY MANAGER'S OFFICE

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CITY COUNCIL INFORMATIONAL MEMORANDUM

Date: October 24, 2024

To: Cupertino City Council
From: Pamela Wu, City Manager

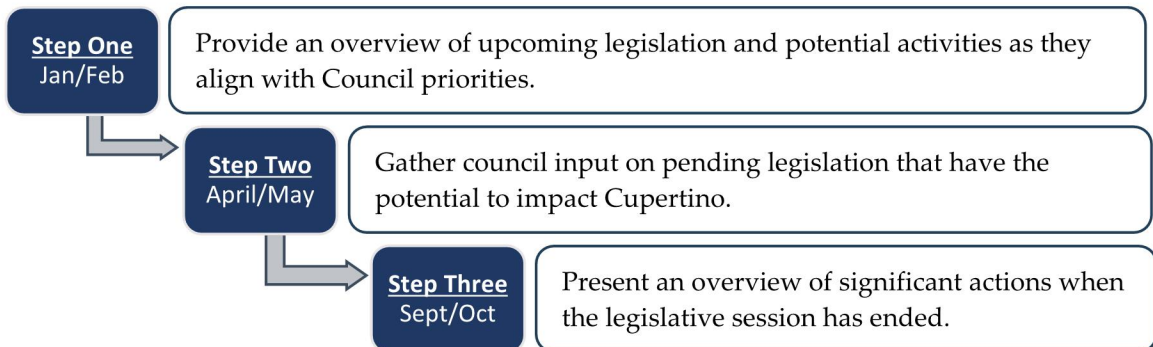
Re: Legislative Update – 2024 Session Recap

Purpose

This informational memorandum provides an overview of the 2024 Legislative Session. It also includes insight on priority legislation related to retail theft, housing, environmental policy, the state budget, and the 2024 November election.

Background

Cupertino's legislative process includes the following three-step approach that is strategically timed to coincide with key milestones in the legislative process:



As step one, staff provided an informational memorandum in January ([Attachment A](#)), which outlined the legislative process and provided an overview of the 2023 legislative session. Throughout the 2024 Legislative Session, the City Manager's Office, City Attorney's Office, and the City's Lobbyist monitored and researched pending legislation to identify bills that could significantly impact Cupertino.

As step two of the process, staff presented a summary of these bills at the May 7 City Council meeting. At this meeting, Council voted to support Assembly Bill 1779 (Irwin) relating to public safety and Senate Bill 1143 (Allen) relating to hazardous waste management. Council also voted to take a “support in concept” position on the Bay Area Affordable Housing Bond Measure, which has since been removed from the ballot. The staff report and other related materials can be viewed as [Attachment B](#). As a follow up, staff published an informational memorandum in August with final details and updates on the Council supported bills, which can be viewed as [Attachment C](#).

This informational memorandum serves as step three of the annual legislative process. Staff works closely with the City’s Lobbyist, Gonsalves and Son to track bills and provide updates to Council throughout the legislative session. Below is a summary of the 2024 legislative session provided by the City’s Lobbyist. The update includes newly passed legislation, the State budget as well as the legislature’s composition post November election.

Legislative Update

This year, the Legislature introduced 2,531 bills between the two houses, with 1,729 in the Assembly and 802 in the Senate. The Legislature went right up until the midnight deadline on August 31 to finish up a chaotic final week of the legislative session. A total of 1,206 bills advancing to Governor Newsom’s desk. The Governor had until September 30 to act on legislation, and this year he signed 1,017 bills and vetoed 189 bills. Additionally, despite the August 31 deadline to adjourn session, Governor Newsom called for an extraordinary session to address the State’s high gas prices.

In addition to the State’s massive budget deficit, the Legislature focused on numerous policy issues this year, including housing, homelessness, retail theft, and environmental policy. The following will provide you with a summary of these priority areas from this past year:

Retail Theft

Legislators in both houses felt pressure from their constituents to make public safety reform a top priority this year. Once Proposition 36 qualified for the November ballot, the Legislature responded by quickly moving a package of 10 crime bills, listed below, to the Governor, who signed them in mid-August.

- **AB 1779:** Permits the consolidation of specified theft charges, as well as all associated offenses, occurring in different counties into a single trial if the district attorneys in all involved jurisdictions agree.
- **AB 1802:** Eliminates the sunset date for the crime of organized retail theft and for the existence of a taskforce established by the California Highway Patrol to analyze organized retail theft and vehicle burglary and to assist local law enforcement in counties identified as having elevated property crime.

- **AB 1972:** Expands the regional property crimes tasks force within the California Highway Patrol to include railroad police and cargo theft.
- **AB 2943:** Authorizes peace officers to make warrantless arrests for misdemeanor shoplifting, among other provisions related to retail theft.
- **AB 3209:** Allows a court to issue an order prohibiting a person from being present on the grounds of, or any parking lot adjacent to and used to service, a retail establishment and any other retail establishments in that chain or franchise, as specified, and makes a violation of the order would be punishable as a misdemeanor punishable by incarceration in county jail for up to six months.
- **SB 905:** Creates the new crime of forcibly entering a vehicle with the intent to commit theft or any other felony and the new crime of unlawfully possessing property acquired through theft from a vehicle with intent to sell where the value of the property possessed exceeds \$950.
- **SB 982:** Removes the sunset date on the provision of law that criminalizes organized retail theft, thereby making the operation of the law permanent.
- **SB 1144:** Expands existing requirements for online marketplaces, as defined, to collect certain information from high-volume third-party sellers on those platforms, as defined, and permits a district attorney, city attorney, or county counsel to enforce the requirements.
- **SB 1242:** Specifies that for the crime of reckless arson, the fact that the offense was carried out within a merchant's premises in order to facilitate organized retail theft shall be a factor in aggravation at sentencing.
- **SB 1416:** Creates new sentencing enhancements for selling, exchanging, or returning for value, or attempting to sell, exchange, or return for value, any property acquired through one or more acts of shoplifting, theft, or burglary from a retail business.

The package of bills aims to crack down on the theft and sale of stolen items, increasing enforcement and prosecutions, and combines values to meet felony thresholds. Additionally, the bills target smash-and-grabs, increases penalties for car break-ins and theft, and eliminates the retail theft sunset provisions.

Housing

Not uncommon to prior years, the Legislature also focused on various housing and development legislation that is particularly impactful to local cities. Here are some bills that are most likely to impact Cupertino:

- **AB 1893:** Amends and expands upon builder's remedy provisions, expands the scope of Housing Accountability Act violations, and makes other modifications to Housing Accountability Act. [See additional analysis below.]
- **AB 2243:** Amends ministerial development process created by AB 2011, including provisions that expand development to certain larger sites defined as regional malls and removing an exception that currently applies to sites near freeways.
- **AB 2553:** Amends provisions of the Mitigation Act that impose standards on transportation impact fees for housing development projects within ½ mile of a major transit stop.
- **AB 3093:** Modifies housing element reporting requirements and requires seventh cycle housing elements to plan for housing for acutely low and extremely low-income households.
- **AB 3122:** Expands eligibility for ministerial approval under Government Code section 65913.4 (SB 35) to projects where (i) the project application was submitted prior to January 1, 2019; (ii) the project includes at least 500 units of housing; and (iii) the project seeking approval or seeking a modification to a prior approval dedicates 20 percent of the total number of units, before calculating any density bonus, as affordable units, with at least 9 percent affordable to very low income households. Modifications to the Vallco SB 35 project would likely fall within the scope of this provision.
- **SB 450:** Revises procedures and standards for ministerial approval of lot splits and duplex under SB 9.
- **SB 937:** Amends the Mitigation Fee Act to prohibit the collection of impacts before the date of the final inspection or the date the certificate of occupancy is issued, whichever occurs first, subject to certain exceptions.
- **SB 1037:** Imposes a minimum civil penalty of \$10,000 per month for violations of any state law requiring a local agency to ministerially approve a permit for a housing development project.
- **SB 1123:** Amends standards for ministerial approval of small lot subdivisions.
- **SB 1211:** Amends standards for ministerial approval of accessory dwelling units.

Environmental Policy

The Climate Bond

This year, the Legislature took action to place a \$10 billion climate bond initiatives on the ballot. The vehicle for the Climate Bond, SB 867 (Allen), was passed by the Legislature on July 3, 2024 and signed that day by Senate President Pro Tempore McGuire, serving as acting Governor.

The \$10 Billion Climate Bond will provide funding for the following:

- \$3.8 billion for Safe Drinking Water, Drought, Flood, and Water Resilience
- \$1.5 billion for Wildfire and Forest Resilience
- \$1.2 billion for Sea Level Rise and Coastal Resilience
- \$450 million for Extreme Heat Mitigation
- \$1.2 billion for Protect Biodiversity and Accelerating Nature-Based Climate Solutions
- \$300 million for Climate Smart, Sustainable, and Resilient Farms, Ranches, and Working Lands
- \$700 million for Park Creation and Outdoor Access
- \$850 million for Clean Air

ABX2-1

After the end of the legislative session, in a rare occurrence, Governor Newsom called for a special session to regulate petroleum fuels and feedstock inventories in an effort to lower oil pricing.

On October 1, 2024, the Assembly returned to Sacramento to consider ABX2-1 (Hart) and ABX2-9 (Petrie-Norris). ABX2-1 (Hart) would authorize the California Energy Commission (CEC), to increase transportation fuel supply by requiring refiners to maintain resupply plans to cover production loss during maintenance events and to maintain minimum levels of inventories. ABX2-9 (Petrie-Norris) would require the CEC, in consultation with the California Air Resource Board (CARB), to report to the Legislature by July 1, 2025, on potential solutions to increase the supply of gasoline. The bill would also allow CARB to adopt a fee on ethanol producers to cover their costs associated with the development, implementation, and enforcement of gasoline blends. ABX2-1 (Hart) was signed into law on October 14, while ABX2-9 (Petrie-Norris) died in the Senate on October 16. This extra session officially marked the end of the 2024 Legislative session.

The State Budget

Aside from newly passed legislation, the summary below provides an overview of the State budget as the State's fiscal health has a direct impact to pending legislation. This year, the Legislature closed a projected \$47 billion General Fund deficit across the three-

year “budget window” (fiscal years 2022-23 through 2024-25) using a broad array of budget tools. The “solutions” in the 2024-25 budget package include:

- \$16 billion in spending reductions
- \$13.6 billion from a combination of additional revenue and borrowing from state special funds
- \$6 billion in fund shifts
- \$6 billion in withdrawals from the Budget Stabilization Account and the Safety Net Reserve
- \$3.1 billion in funding delays and pauses
- \$2.1 billion in deferrals

On June 13th, the Legislature passed its main budget bill, AB 107, a placeholder to meet the June 15th Constitutional deadline. This bought the Governor and Legislature more time to work out an agreement and, more importantly, avoid the Legislature having to forfeit their pay. On June 22, Governor Newsom and Legislative leaders announced they had a budget agreement. The Assembly and Senate approved the budget bills on June 26, and Governor Newsom signed the bills on June 29. In his final act of the year’s regular legislative session, Governor Newsom signed AB 179, which creates new tools for the state to set aside a portion of anticipated surplus funds in future fiscal years. This legislation creates a Projected Surplus Temporary Holding Account, allowing the state to place anticipated surpluses in reserve for future use.

2024 General Election

At the upcoming November General Election, all 80 Assemblymembers and 20 of the 40 Senators will be up for election. Regardless of the outcomes at the ballot box, the state will have at least 35 new members of the Legislature when they return next year. That, coupled with the 37 new members in the 2022 freshman class, totals 72 of the 120 (60%) members of the legislature having served 2 years or less. Cupertino is expected to get one new representative as Assemblymember Evan Low is now running for a seat in the U.S. House of Representatives. Due to redistricting, Cupertino will be under Senator Becker as of January 1, 2025. The November 2024 General election will also include ten (10) Statewide initiatives, which can be viewed in [Attachment D](#) and one (1) local county initiative, which can be viewed in [Attachment E](#).

Next Legislative Session and the 2025 Legislative Process

The Legislature will return on December 2, 2024, for the swearing in ceremony for the new members. On January 3, 2025, the Legislature will officially reconvene for the 2025-26 legislative session. The deadline to submit language to Legislative Counsel will be late January 2025, followed by the bill introduction deadline in mid-February.

Staff will prepare an informational memorandum in late February to kick off the 2025 legislative process. For more information on Cupertino’s Legislative Activity visit cupertino.org/legislation.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

Prepared by: Astrid Robles, Senior Management Analyst

Reviewed by: Christopher Jensen, City Attorney

Tina Kapoor, Interim Assistant City Manager

Approved for Submission by: Pamela Wu, City Manager

Attachments:

- A – Step 1: Informational Memorandum from January 17, 2024, City Council Meeting
- B – Step 2: Staff Report and Meeting Materials from May 7, 2024, City Council Meeting
- C – Follow-up Informational Memorandum from August 30, 2024
- D – 2024 Statewide Ballot Initiatives
- E – 2024 Local County Initiative



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CITY COUNCIL INFORMATIONAL MEMORANDUM

Meeting: January 17, 2024

To: Cupertino City Council
From: Pamela Wu, City Manager

Re: 2023 legislative activity and priorities update.

Reasons for Recommendation

The legislative Advocacy Policy (Resolution No. 23-026, Attachment A) sets forth a process for the City to engage in legislative activities and advocacy, rely on staff knowledge on the applicability of prospective legislation, and reflect the voice of entire Council in taking positions on legislation. Since the policy was adopted in February 2023, the City Manager's Office (CMO) has monitored and researched pending legislation to identify bills that could significantly impact Cupertino. Staff has maintained a list of these bills, which is posted on the City's website at cupertino.org/legislation. Staff will bring these identified bills forward for Council consideration in spring and facilitate letters to the legislature outlining the City's position.

2023 Legislative Activity and Advocacy Update

In 2023, the City monitored 15 bills, which can be found at cupertino.org/legislation. Of these 15 bills, the City took positions and sent letters to the state Legislature regarding three bills:

1. ACA 5 (support) – Enacted into law in 2023.
2. AB 1469 (support) – Signed into law in 2023.
3. The Taxpayer Protection and Accountability Act (oppose) – Though opposed by various cities and legislative organizations, this initiative has qualified for the November 2024 general election.

Many of the other bills on the City's watch list are two-year bills and may be considered again during the 2024 Legislative Session. Staff will continue to monitor these bills along with other new bills introduced in early 2024.

This past year, staff spent considerable time and effort advocating around the California Department of Tax and Fee Administration (CDTFA) matters. This work has included participation in stakeholder meetings with CDTFA, the Governor's office, our legislators, and other pertinent state agencies. This is an ongoing effort that staff will continue to actively engage in.

Other 2023 State Legislation Highlights

Broadly speaking CalCities adopted positions on 66 measures/bills that made it to Governor Newsom's desk. The Governor signed 82% of the bills CalCities supported and vetoed 42% of the bills opposed by CalCities (compared to the Governor's overall average 14% veto rate).

Collaborations and Partnerships

CMO staff and the City Attorney's Office, in collaboration with the City Council, are the core team and are primarily responsible for all legislative activity and bill tracking within Cupertino. CMO staff also works with all City Departments to gather input on bills related to specific focus areas to determine potential impacts of legislation on Cupertino. The City remains under contract with Gonsalves and Son, a state lobbyist, to maintain a presence in Sacramento and to remain apprised of key legislative activity.

To track and drive legislation, staff also participates with a number of coalitions and tries to find alignment with different groups such as Cal Cities, SCC legislative coordinators, MTC, ABAG, Valley Water, Mid Pen Housing, and others.

The City's lobbyist, Joe A. Gonsalves & Son, actively tracked and advocated on behalf of the City on all bills where the City adopted a position. This includes private meetings with legislators, staff and pertinent committee consultants, as well as any necessary state agency and/or Administration related advocacy.

Looking Ahead to 2024 Legislative Priorities and Program

The legislative advocacy work is guided by the Council adopted goals of Public Engagement and Transparency, Transportation, Housing, Sustainability & Fiscal Strategy, and Quality of Life (Attachment C).

Staff recommends the following Strategic Legislative Priorities for 2024 that align with the Council adopted goals to direct the City's advocacy efforts and resources. These legislative priorities will focus on supporting legislation that:

1. Helps Cupertino build a fiscally sustainable and resilient community.
2. Furthers the health and wellbeing of Cupertino community members and enhances public engagement and transparency.
3. Promotes Cupertino's infrastructure needs, especially as they relate to transportation and housing.

In 2024, staff will continue to monitor and research bills using the above mentioned Strategic Legislative Priorities as guiding principles and oppose legislation that affects the City's ability to accomplish them. Should the Council adopted goals change at the next Council priority setting session, staff will follow the new goals as guiding principles for the City's advocacy work.

Staff will also continue to focus on regional coordination with our legislative teams, raising the profile of Cupertino, as well as making a pointed effort to expand our alliances and our work with coalitions. Considerable effort will be spent to protect the City's tax revenue and watch bills that might affect our ability to operate and provide services.

Next Steps

Staff will bring updates to Council based on the legislative cycle. Staff reports will be strategically timed to coincide with key milestones in the legislative process as follows:

- January/ February – provide an overview of upcoming legislation and potential activities as they align with Council priorities.
- April/ May - Gather council input on pending legislation that have the potential to impact Cupertino based on the priorities above.
- September/October - Present a legislative overview when the legislative session has ended.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

California Environmental Quality Act

Not Applicable.

Prepared by: Astrid Robles, Senior Management Analyst
Tina Kapoor, Deputy City Manager

Reviewed by: Matt Morley, Assistant City Manager
Chris Jensen, City Attorney

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Resolution No. 23-026 Legislative Advocacy Policy

B – 2023 Council Adopted Goals

RESOLUTION NO. 23-026

**A RESOLUTION OF THE CUPERTINO CITY COUNCIL
REVISITING THE CITY OF CUPERTINO LEGISLATIVE ADVOCACY
POLICY**

WHEREAS, the City Council has an interest in weighing in on state, federal, and regional legislative issues that impact the City and its residents; and

WHEREAS, the City receives legislative action alerts sent by various city associations that need to be reviewed on a case by case basis; and

WHEREAS, the City Council has historically approved City positions on proposed legislation by majority vote of the City Council; and

WHEREAS, in addition to allowing for City Council action, Cupertino City Council Resolution No. 18-010 established a Legislative Advocacy Policy that delegated Council power to the Legislative Review Committee to take positions on proposed legislation where the position was within the judgment of the Committee consistent with the City's adopted Legislative Advocacy Policy; and

WHEREAS, the City Council finds that this delegation of authority is inconsistent with Municipal Code section 2.17.031, which provides that the authority of the City Council "cannot be delegated to individual Council members, nor to committees composed of council members consisting of less than a quorum of the City Council"; and

WHEREAS, the City Council wishes to revise the Legislative Advocacy Policy to ensure consistency with the Municipal Code and to allow the City Manager to take direction from the full Council, consistent with the requirements of the Municipal Code.

NOW, THEREFORE, BE IT RESOLVED:



1. The City Council hereby adopts the Legislative Advocacy Policy attached hereto as Exhibit A.

2. Resolution No. 18-010 and any other procedures, polices, or rules adopted by the Council that are inconsistent with this Resolution are hereby repealed and rescinded.

PASSED AND ADOPTED at a regular meeting of the City Council of the City of Cupertino this 21st day of February, 2023, by the following vote:

Members of the City Council

AYES: Wei, Mohan, Fruen
NOES: Chao, Moore
ABSENT: None
ABSTAIN: None

SIGNED:  _____ Hung Wei, Mayor City of Cupertino	<u>2/24/2023</u> _____ Date
ATTEST:  _____ Kirsten Squarcia, City Clerk	<u>2/28/23</u> _____ Date

LEGISLATIVE ADVOCACY POLICY

I. PURPOSE

The purpose of this policy is to establish guidelines regarding City legislative advocacy by the City Council.

II. BACKGROUND

The City has actively taken positions on legislation for many years through direction of the full Council and the Legislative Review Committee. On January 25, 2023, the City Council voted to dissolve the Legislative Review Committee and consider taking positions on pending legislation as a full Council.

III. POLICY STATEMENT

1. Each year staff will monitor and research pending legislation to identify bills that could significantly impact Cupertino. Staff will bring these identified bills to Council for consideration at a City Council meeting. With authorization from the full Council, City staff shall prepare position letters for the Mayor's signature. This work can be additionally supported by a contracted lobbyist, as needed.
2. In circumstances where Council review is impracticable, the City Manager can authorize staff to prepare position letters for the Mayor's signature on urgent matters. Positions must align with a policy adopted by the City Council or other clear direction provided by vote of the full Council that supports the position taken on legislation.
3. Legislative advocacy should focus on issues directly relevant to or impacting the provision of municipal services. Generally, the City will not address matters that are not pertinent to the City's local government services, such as international issues.

IV. IMPLEMENTATION

The City Manager shall monitor the provisions of this policy. City departments are encouraged to monitor and be knowledgeable of any legislative issues related to their discipline. However, any requests for the City to take positions on a legislative matter must be directed to the City Attorney's Office. City

departments may not take positions on legislative issues without City Manager's Office review, and approval from the full Council when required by this policy.

Established Council Priorities

In February 2020, the City Council adopted a number of goals to provide a framework for City priorities and to guide annual development of the Work Program. City Council reaffirmed their goals in March 2023 to include:

- **Public Engagement and Transparency**
 - Creating and maintaining key conversations and interactions with the Cupertino Community.
- **Transportation**
 - Providing access to an efficient, safe multi-modal transportation system for our community, and advocating for effective, equitable mass transit in the greater region.
 - Improving Traffic Flow and Alleviating Congestion
- **Housing**
 - Contributing meaningfully and in a balanced manner to the housing inventory in support of our community needs, including affordable housing (from extremely low-income to moderate-income level housing) and addressing homelessness.
- **Sustainability & Fiscal Strategy**
 - Continuing Cupertino's commitment to building a sustainable and resilient community for future generations.
- **Quality of Life**
 - Furthering the health and well-being of all Cupertino community members.
 - Air Quality and Noise
 - Public Safety
 - Recreation
 - Access to Goods and Services



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CITY COUNCIL STAFF REPORT

Meeting: May 7, 2024

Subject

2024 Legislative Update

Recommended Action

Receive an overview of pending legislation and direct staff to prepare and send letters taking positions on the following:

- 1) Bay Area Affordable Housing Measure (BAHFA) – Affordable Housing
- 2) AB 1779 (Irwin) – Public Safety
- 3) SB 1143 (Allen) – Environmental – Waste Management

Reasons for Recommendation

Background

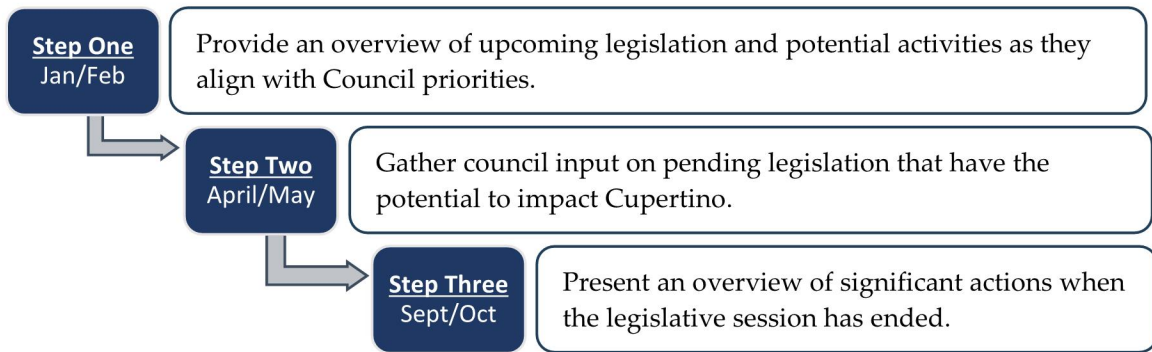
At the January 17 City Council meeting, Council received an informational memo¹ outlining the 2024 Legislative Process and the following priorities that were proposed based on Council-adopted goals focusing on the most critical City needs:

The City will support legislation that:

1. Helps Cupertino build a fiscally sustainable and resilient community.
2. Furthers the health and wellbeing of Cupertino community members and enhances public engagement and transparency.
3. Promotes Cupertino's infrastructure needs.

The Legislative Process includes a three-step approach that is strategically timed to coincide with key milestones in the legislative cycle:

¹ <https://cupertino.legistar.com/LegislationDetail.aspx?ID=6464059&GUID=9AB54CFC-E992-4298-93FC-21D167AC15AC&Options=&Search=>



The January informational memorandum focused on Step One of the process. Staff has continued to coordinate with the City’s Lobbyist to monitor and research pending legislation. This report focuses on Step Two in the legislative process and provides Council an opportunity to consider legislation prior to important committee deadlines². The City Manager’s Office and the City Attorney’s Office have reviewed and identified bills of interest for Cupertino for Council consideration.

2024 Legislative Update and Trends

This year, the Legislature introduced 2,295 new bills, which includes 1,593 in the Assembly and 702 in the Senate. The Legislature has emphasized public safety bills to reduce crime and theft to residents and businesses. In addition, climate and housing initiatives that aim to improve the quality of life for all California residents remain a top priority for the Legislature this year. The City’s Lobbyist prepared an overview of the 2024 Legislative Session with additional information, which can be found in Attachment A.

Bills of Interest

Each year, staff consolidates a list of bills identified by the City’s Lobbyist and groups such as Cal Cities, SCC legislative coordinators, MTC, ABAG, Valley Water, Mid Pen Housing, and others. The full list can be found in Attachment B and includes a summary of the legislation and staff recommendations for each. Staff has further narrowed down the list by following the 2024 Legislative Priorities established in January and as outlined above, aligning with the Council-adopted goals of Public Engagement and Transparency, Transportation, Housing, Sustainability & Fiscal Strategy, and Quality of Life.

The League of California Cities represents a strong lobbying voice. Staff recommends continuing to rely on their representation for much of the legislation that develops. Where legislation has specific interest or impacts in Cupertino, the City may want to establish a position. The approach in assessing legislation has been to take a limited number of positions to maximize the impact when a position is taken.

² <https://www.senate.ca.gov/system/files/2024-04/final-agreed-2024-legislative-calendar.pdf>

Staff recommends that the City Council consider supporting the following bills which are aligned with the 2024 Strategic Legislative Priorities and encompass the City's three major focus areas: Affordable Housing, Public Safety, and Environmental Programs.

1) Affordable Housing

Staff recommendation – Support

Bay Area Affordable Housing Measure (BAHFA)³

- Summary: This regional bond measure aims to generate \$10-\$20 billion to build approximately 72,000 new affordable homes. 80% of the bond revenue will go directly to the nine bay area counties and four cities-San Jose, Oakland, Santa Rosa, and Napa. The remaining 20% of the bond revenue will be invested in affordable developments throughout the region, while also generating new housing resources to support affordable housing development long after the bonds are fully spent.
- Potential Impact: If approved, Cupertino could potentially receive funding through Santa Clara County. The County's allocation is estimated⁴ as follows:
 - \$1.2B if the bond is \$10B
 - \$2.4B if the bond is \$20B

The Bay Area Housing Finance Authority (BAHFA) will determine the final value of the bond (\$10 billion or \$20 billion) on May 22.

- Support: The Bay Area Housing Finance Authority (BAHFA) is proposing this measure. BAHFA is governed by the BAHFA board, composed of the same members as the Metropolitan Transportation Commission and the Association of Bay Area Governments' Executive Board. This measure is regionally supported.
- Oppose: None as of May 1, 2024

2) Public Safety – Retail Theft

Staff Recommendation - Support

AB 1779 (Irwin)⁵

- Summary: Current law defines types of theft, including petty theft, grand theft, and shoplifting. Current law also defines the crimes of robbery and jurisdictionally limits prosecution of each type of theft to criminal actions brought by the Attorney General. This bill would remove the jurisdictional limitations and expand the coordination and abilities of District Attorneys to work together to prosecute theft offenses that occur in several counties throughout several counties.

³ <https://mtc.ca.gov/about-mtc/authorities/bay-area-housing-finance-authority/bay-area-affordable-housing-bond>

⁴ <https://mtcdrive.app.box.com/s/xufy2s22g57cqney761ukvt35jfdddogg>

⁵ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240AB2943

- Potential Impact: In Cupertino, retail stores like Target have been victims of retail theft crimes. This bill aims to hold offenders accountable through a streamlined regional effort.
- Support: California Correctional Supervisors Organization, INC., California District Attorneys Association, California State Sheriffs' Association, Chief Probation Officers' of California (CPOC), City of Santa Clarita, League of California Cities, Peace Officers Research Association of California (PORAC), San Diego County District Attorney's Office, Valley Industry and Commerce Association (VICA), Ventura County Office of The District Attorney
- Oppose: Communities United for Restorative Youth Justice (CURYJ), Ella Baker Center for Human Rights, Initiate Justice, Initiate Justice Action, LA Defensa

3) Environmental – Waste Management
SB 1143 (Allen)⁶

Staff Recommendation - Support

- Summary: This bill would establish an extended producer responsibility (EPR) program for Household Hazardous Waste (HHW) to set up a system where producers of the HHW products would be responsible for paying for proper disposal. SB 1143 would establish an EPR program for California's HHW collection and management system, just like for single-use plastics.
- Potential Impact: Under the bill, cities would be reimbursed for the costs of running and bolstering HHW programs. The City currently has funding to participate in the County's HHW program for the next 3-4 years. This bill could bring in direct funds to offset the future costs for the City to continue participating in this program.
- Support: National Stewardship Action Council (sponsor), 5 Gyres Institute, 7th Generation Advisors, Ban Single Use Plastic, California Association of Environmental Health Administrators, California Environmental Voters, California Rural Legal Assistance Foundation, California Teamsters Public Affairs Council, California Waste Recovery System, Californians Against Waste, Californians for Pesticide Reform, Center for Biological Diversity, Center for Farmworker Families, Center on Race, Poverty & the Environment, Central California Environmental Justice Network, City of Santa Barbara, Clean Water Action, Cleaneart4kids.org, Climate Reality Project, California Coalition, County of Los Angeles Board of Supervisors, Environmental Working Group, Friends of The Earth, Greenwaste Recovery, Heal the Bay, League of California Cities, Marin Sanitary Service, Napa Recycling and Waste

⁶ https://leginfo.legislature.ca.gov/faces/billStatusClient.xhtml?bill_id=202320240SB1143

Services, Pesticide Action Network, Physicians for Social Responsibility - Los Angeles, Product Stewardship Institute, Republic Services - Western Region, Resource Recovery Coalition of California, Rethinkwaste, Rural County Representatives of California, Sea Hugger, Sierra Club California, Story of Stuff Project, Town of Truckee, Turtle Island Restoration Foundation, Universal Service Recycling, Inc., Valley Improvement Projects, Worthington Industries, Zero Waste Marin Joint Powers Authority, Zero Waste Sonoma, Zero Waste USA

Oppose: American Chemistry Council, American Cleaning Institute, Cal CIMA, California Chamber of Commerce, California Manufacturers & Technology Association, Can Manufacturers Institute, Household and Commercial Products Association, Industrial Environmental Association, National Aerosol Association, Industry for A Sound Environment, Western Aerosol Information Bureau, Western Plant Health Association

Other Priority Legislation

In addition to the bills outlined above, the City took a position on Initiative No. 21-0042A, sponsored by California Business Roundtable (CBRT), titled "Taxpayer Protection and Government Accountability Act", opposing the legislation in December 2021 and again in March 2023.

Looking ahead

Throughout the legislative cycle, Staff will maintain a focused list of legislative activities that are pertinent to Cupertino, which can be viewed at cupertino.org/legislation. This list is updated monthly. Councilmembers may request that staff consider other bills of interest throughout the legislative session on an as-needed basis. Staff will research the additional bills and determine the relevancy and level of impact on the City.

As part of the next and final step (Step 3) in the 2024 Legislative Process, Staff will present an overview of significant actions when the legislative session has ended, highlighting relevant bills signed into law by the Governor.

Sustainability Impact

No sustainability impact.

Fiscal Impact

No fiscal impact.

California Environmental Quality Act

Not Applicable.

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Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Legislative Update

B – 2024 State Measures and Bills of Interest



TO: City of Cupertino
FROM: Anthony, Jason & Paul Gonsalves
SUBJECT: 2024 Legislative Update
DATE: Tuesday, May 7, 2024

The Legislature returned from interim recess on January 3, 2024, to start the second half of the 2023-24 Legislative Session. The 2024 Legislative Session has brought a lot of change to the Legislature. There's change in Legislative leadership from previous sessions, change in Chairs and Members of committees from previous sessions, change in the State's budget forecasts, and change in future legislative representation.

Legislators had until February 16, 2024, to introduce new bills in the second year of the 2-year Legislative Session. This year, the Legislature introduced 2,295 new bills, which includes 1,593 in the Assembly and 702 in the Senate. All bills are required to be in print for 30 days before they can be heard in Committee, which pushed most of the new bills to the middle of March or early April before they are heard in their first policy Committee.

On March 21, 2024, the Legislature left Sacramento for its week-long Spring Recess. They returned to a busy capitol on April 1, 2024. April is typically one of the busiest times of the year in the Legislature since most of the several thousand bills introduced at the beginning of the year have yet to be heard in policy committees. As such, the month is packed full of hearings and meetings as legislators sort through the bills and lobbyists meet with legislators in advance of those hearings.

LEADERSHIP CHANGES

Former Assembly Speaker, Anthony Rendon, and current President Pro Tem of the Senate, Toni Atkins, are both in their last year of office due to term limits. Because of this, both houses elected new leaders.

Assembly

Assembly Speaker, Robert Rivas, took over for former Assembly Speaker Anthony Rendon during the final weeks of the 2023 session. His influence is now taking shape and growing in the 2024 Legislative Session. Speaker Rivas has installed many new Committee Chairs and has appointed dozens of new Members to Committees. One early, and notable, change is that Speaker Rivas has directed Committee Chairs to allow all bills referred to Committee to be eligible for a hearing in that Committee, if the author of the bill so chooses. While this changes from the policy of the previous Speaker, who had allowed Chairs to simply decide whether a bill deserved a hearing or not, it is actually a return to long-

standing procedures of the Legislature whereby the authors could decide whether their bill is set for a hearing or not.

Senate

Late in the 2023 Legislative Session, the Senate elected Senator Mike McGuire to be the next President Pro Tempore of the Senate. He took over the Senate on February 5, 2024, thereby allowing all the two-year bills that needed to clear the house of origin to do so under the sitting leader and Committee Chairs.

Senator McGuire is a very active, hands-on Legislator. As a former lieutenant to President Pro Tem Atkins, he managed the workflow of the Senate and is in a constant state of motion, engaging with his colleagues and being “in the know” on the matters at hand. Senate President Pro Tempore McGuire also made changes to his leadership team and the makeup of the Senate Committees, including the Chairs.

ELECTORAL CHANGE

The 2024 Legislative Session will also bring change to the Legislature. This year, all 80 Assembly seats are up for reelection along with 20 of the 40 Senate seats. Of the 120 seats in the Legislature, there are 35 Members who are termed out in 2024. A majority of these 35 Legislators are seeking a different elective office, which might be the other house, Congress, or local elective office. For those running for a different office, some of these Legislators have found themselves running against another sitting Legislator for a new office. Every election cycle brings a modest amount of change to the Legislature. 35 termed out Members is a large number and how they legislate in their final months will be an interesting development.

BUDGET UPDATE

California is facing a significant budget deficit. The highly respected non-partisan Legislative Analyst’s Office (LAO) previously projected a \$58 billion deficit based on the Governor’s revenue projections. However, the Governor’s January budget proposal projected a \$38 billion deficit. In early February, the LAO released an update that predicts that by the time the Governor releases his May Revision to the budget, the state’s deficit is projected to be \$15 billion higher, ballooning to \$73 billion. On the other hand, State revenues came in \$1.16 billion higher than projected for the month of February, mainly from personal income taxes and corporation taxes. Even with slightly higher projections, the Governor and Legislature have their work cut out for them to balance the state’s budget.

In March, Senate Democrats unveiled their plan to take early action to address the state’s budget deficit. It is labeled as the “Shrink the Shortfall” plan, and it is the first step of an ongoing process to address the state’s budget deficit¹. Senator Wiener, chair of the Senate Budget Committee, said that the second step of the budget strategy will be unveiled later this spring, likely after California Gov. Gavin Newsom unveils his revised budget in May.

The Senate’s plan seeks to address between \$12-\$17 billion of the state’s budget shortfall while saving the more challenging fiscal decisions for later this spring when lawmakers have a more complete budget picture.

¹ <https://sbud.senate.ca.gov/>

The plan calls for \$3.3 billion in spending reductions over the next two years. Additionally, the plan also calls for \$4.7 billion in borrowing for those two fiscal years, \$3.9 billion in fund shifts, \$3.2 billion in delayed funding and \$2.1 billion in deferrals, for a total of \$17.1 billion in savings.

If the "Shrink the Shortfall" solutions are adopted, and the Gov uses about \$12.2 billion from the state Rainy Day Fund, Senate Democrats estimate the remaining deficit to be anywhere from \$8.6 billion to \$23.6 billion.

2024 Legislative Deadlines

February 16	Last day for bills to be introduced
April 26	Last day for policy committees to hear and report to fiscal committees fiscal bills introduced in their house
May 3	Last day for policy committees to hear and report to the Floor nonfiscal bills introduced in their house.
May 10	Last day for policy committees to meet prior to May 28.
May 17	Last day for fiscal committees to hear and report to the Floor bills introduced in their house. Last day for fiscal committees to meet prior to May 28.
May 20-24	Floor session only. No committee may meet for any purpose except for Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
May 24	Last day for each house to pass bills introduced in that house.
May 28	Committee meetings may resume
June 15	Budget Bill must be passed by midnight.
June 27	Last day for a legislative measure to qualify for the Nov. 5 General Election ballot
July 3	Last day for policy committees to meet and report bills. Summer Recess begins upon adjournment, provided Budget Bill has been passed.
August 5	Legislature reconvenes from Summer Recess.
August 16	Last day for fiscal committees to meet and report bills.
August 19-31	Floor session only. No committee may meet for any purpose except Rules Committee, bills referred pursuant to Assembly Rule 77.2, and Conference Committees.
August 23	Last day to amend bills on the Floor.
August 31	Last day for each house to pass bills. Final Recess begins upon adjournment

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
1	Initiative No. 21-0042A/ Sponsored by California Business Roundtable (CBRT)	Taxpayer Protection and Government Accountability Act Initiative	The ballot measure would amend the California Constitution to apply new rules to all new or increased taxes or fees adopted by the state legislature or local agencies. The measure would apply retroactively to new or increased taxes or fees adopted after January 1, 2022.	2/1/23 Initiative qualified for the November 2024 general election ballot.	Revenue/ Taxation	Oppose	Opposed by LRC 12/10/21 Opposed by City Council 3/21/23
2	Bay Area Financing Housing Authority's Measure	The Bay Area Housing Bond - Regional Funding for Local Solutions	In November 2024, Bay Area residents could potentially vote on a regional bond measure to generate \$10 -\$20 billion to build approximately 72,000 new affordable homes. 80% of the bond revenue will go directly to the nine bay area counties and four cities-San Jose, Oakland, Santa Rosa, and Napa. BAHFA will invest 20% of the bond revenue in affordable developments throughout the region, while also generating new housing resources to support affordable housing development long after the bonds are fully spent.	Still being considered by ABAG. Not qualified for election yet.	Revenue/ Housing	Support	City Will Consider on 5/7/24
3	Initiative 23-0017A1 (Prop 47 Changes)	Homelessness, Drug Addiction, and Theft Reduction Act	The Homelessness, Drug Addiction, and Theft Reduction Act would amend state law to (1) create a new court process for certain drug possession crimes, (2) require a warning of future criminal liability for people convicted of drug distribution, (3) increase penalties for certain drug crimes, and (4) increase penalties for certain theft crimes. Some of these changes would undo certain reductions in punishment enacted by Proposition 47.	Qualified for November 2024 General Election	Public Safety	Watch	Watch
4	AB 2/ Ward	Recycling: Solar Photovoltaic Modules	This measure would create end-of-life management of photovoltaic modules (or solar panels), minimization of hazardous waste, and recovery of commercially valuable materials.	9/1/2023 In committee: Held under submission.	Environmental Quality	Support	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
5	AB 491 / Wallis	Local Government: Fines and Penalties.	Current law authorizes the legislative body of a local agency, as defined, to make, by ordinance, a violation of an ordinance subject to an administrative fine or penalty, as specified. Existing law requires the local agency to set forth by ordinance the administrative procedures that govern the imposition, enforcement, collection, and administrative review by the local agency of those administrative fines or penalties. Current law authorizes a person contesting a final administrative order or decision to seek review by filing an appeal to be heard by the superior court, as specified. This bill would authorize a local agency to establish, by ordinance, a procedure to collect those administrative fines or penalties by lien upon the parcel of land on which the violation occurred, as specified.	9/25/2023 - Measure version as amended on September 13 corrected.	Legal/ Administrative Fines	Watch	Watch
6	AB 817 / Pacheco	Open Meetings: Tele- conferencing: Subsidiary Body.	Allows, until January 1, 2026, a subsidiary body of a local agency to teleconference without meeting all of the teleconferencing requirements of the Ralph M. Brown Act (Brown Act).	1/25/2024 - Read third time. Passed. Ordered to the Senate. (Ayes 54. Noes 8.) In Senate. Read first time. To Com. on RLS. for assignment.	Public Engagement/ tele- conferencing	Support/ Sponsor	Watch
7	AB 863/ Aguiar-Curry	Carpet Recycling: Carpet Stewardship Organizations: Fines: Succession: Training	Would increase oversight and enforcement measures for operation of the state's carpet stewardship program and requires that up to 10% of the funding from carpet assessments be allocated to grants for apprenticeship programs as specified.	9/11/2023 Ordered to inactive file at the request of Senator Portantino.	Environmental Quality	Support	Watch
8	AB 1238/ Ward	Hazardous Waste: Solar Panels	This bill would require the Department of Toxic Substances Control to develop alternative management standards for managing photovoltaic modules. The bill would specify parameters for the standards, including, but not limited to, promoting safe collections, reusing, and recycling of photovoltaic modules.	6/7/2023 Referred to Com. on E.Q.	Environmental Quality	Watch	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
9	AB 1657/ Wicks	The Affordable Housing Bond Act of 2024.	This measure would place a \$10 billion bond measure on the November 2024 ballot to spur the production of affordable and supportive housing.	3/4/2024 Read second time, amended, and re-referred to Com. on APPR.	Revenue/ Housing	Support	Watch
10	AB 1772/ Ramos	Theft	This bill requires the Department of Justice (DOJ) to report to the Legislature the number of misdemeanor convictions for a crime of theft from a retail establishment during the Governor's declared COVID-19 state of emergency.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Public Safety	Support	Watch
11	AB 1779/ Irwin	Theft: Jurisdiction	Would no longer limit the jurisdictional rules for the above crimes to criminal actions brought by the Attorney General. If a case is brought by someone other than the Attorney General, the bill would require the prosecution to present written evidence in the jurisdiction of the proposed trial that all district attorneys in counties with jurisdiction over the offenses agree to the venue. The bill would require charged offenses from jurisdictions where there is not a written agreement from the district attorney to be returned to that jurisdiction.	4/25/2024 Read third time and amended. Ordered to third reading.	Public Safety	Support	City Will Consider on 5/7/24
12	AB 1794/ McCarty	Crimes: Larceny	Proposition 47 makes the theft of money, labor, or property petty theft punishable as a misdemeanor, whenever the value of the property taken does not exceed \$950. If the value exceeds \$950, the theft is grand theft, punishable as a misdemeanor or a felony. Proposition 47 requires shoplifting (if the value of the property taken does not exceed \$950), to be punished as a misdemeanor. This bill would clarify that those values may be aggregated even though the thefts occurred in different places or from different victims. The bill would also, declarative of existing law, provide that circumstantial evidence may be used to prove that multiple thefts were motivated by one intention, general impulse, and plan.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Public Safety	Support	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
13	AB 1802/ Jones-Sawyer	Crimes: Organized Theft	Would extend the operation of the crime of organized retail theft indefinitely. By extending the operation of an existing crime, this bill would create a state-mandated local program. This bill contains other related provisions and other existing laws.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Public Safety	Support	Watch
14	AB 1820 / Schiavo	Housing Development Projects: Applications: Fees and Exactions.	This bill would authorize a development proponent that submits a preliminary application for a housing development project to request a preliminary fee and exaction estimate, as defined, and would require the local agency to provide the estimate within 30 business days of the submission of the preliminary application. For development fees imposed by an agency other than a city or county, the bill would require the development proponent to request the fee schedule from the agency that imposes the fee.	4/29/24 Read second time and amended.	Housing/ Developer Fees	Oppose Unless Amended	Watch
15	AB 1845/ Alanis	Crimes: Grant Program for Identifying, Apprehending, and Prosecuting Resale of Stolen Property	Would, until January 1, 2030, create the Identifying, Apprehending, and Prosecuting Resale of Stolen Property Grant Program to be administered by the board. The bill would require the board to award grants, on a competitive basis, to county district attorneys' offices and law enforcement agencies, acting jointly to investigate and prosecute receiving stolen goods crimes and criminal profiteering. The bill would require the board to prepare and submit a report to the Legislature, as specified, regarding the impact of the grant program. The bill's provisions would be operative only to the extent that funding is provided, by express reference, in the annual Budget Act or another statute. This bill contains other existing laws.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Public Safety	Support	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
16	AB 1886 / Alvarez	Housing Element Law: Substantial Compliance: Housing Accountability Act.	Clarifies that a housing element is substantially compliant with Housing Element Law, when both a local agency adopts the housing element and Department of Housing and Community Development (HCD) or a court finds it in compliance, for purposes of specified provisions of the Housing Accountability Act (HAA).	4/25/24 From committee: Do pass and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 24). Re-referred to Com. on APPR.	Housing/ Zoning	Oppose	Watch
17	AB 1889 / Friedman	Conservation Element: Wildlife and Habitat Connectivity.	Would require a city, county, or city and county to consider the impact of development on the movement of wildlife and habitat connectivity as part of the conservation element of its general plan.	4/23/24 From committee: Do pass and re-refer to Com. on APPR. (Ayes 10. Noes 3.) (April 23). Re-referred to Com. on APPR.	Wildlife/ Conservation Element	Oppose unless amended	Watch
18	AB 1893 / Wicks	Housing Accountability Act: Housing Disapprovals: Required Local Findings.	Would place guardrails on “builder’s remedy” projects; reduce affordable housing minimums; and prohibit local jurisdictions from denying certain housing developments even if they are meeting or exceeding state allocated housing goals.	4/29/24 From committee: Amend, and do pass as amended and re-refer to Com. on APPR. (Ayes 7. Noes 0.) (April 24).	Housing/ Zoning	Oppose Unless Amended	Watch
19	AB 1922 / Davies	California Conservation Corps: Green Collar Certification Program.	Current law establishes the California Conservation Corps and requires young adults participating in the corps program to be generally engaged in projects that, among other things, directly contribute to the conservation of energy. This bill would instead require young adults participating in the corps program to be generally engaged in projects that, among other things, directly contribute to and promote the conservation of clean energy, enhance climate resilience, and develop sustainable climate infrastructure.	4/10/2024 - In committee: Set, first hearing. Referred to suspense file.	Emergency Preparedness/ Environmental	Support	Watch
20	AB 1957 / Wilson	Public Contracts: Best Value Construction Contracting for Counties.	Expands a pilot program for specified counties to use best value contracting to include all counties, and extends the sunset date on the authorization to January 1, 2030.	4/18/24 Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 17). Re-referred to Com. on APPR.	Legal/ Purchasing	Track	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
21	AB 1972/ Alanis	Regional Property Crimes Task Force	This bill expands the regional property crimes task force convened by the California Highway Patrol (CHP) to provide assistance to railroad police and operate in counties with elevated levels of cargo theft.	4/25/24 Read second time. Ordered to Consent Calendar	Public Safety	Support	Watch
22	AB 1990/ Carrillo	Criminal Procedure: Arrests: Shoplifting	Would authorize a peace officer to make a warrantless arrest for shoplifting not committed in their presence if the officer has reasonable cause to believe that person has shoplifted. This bill provides that, unlike for other misdemeanors, a peace officer does not have to release a person for which there is probable cause to believe that the person arrested is guilty of shoplifting.	4/17/2024 Read second time. Ordered to third reading.	Public Safety	Support	Watch
23	AB 1999 / Irwin	Electricity: Fixed Charges	Current law requires that fixed charges be established on an income-graduated basis, with no fewer than 3 income thresholds, so that low-income ratepayers in each baseline territory would realize a lower average monthly bill without making any changes in usage. This bill would repeal the provisions described in the preceding paragraph. The bill would instead permit the commission to authorize fixed charges that, as of January 1, 2015, do not exceed \$5 per residential customer account per month for low-income customers enrolled in the California Alternate Rates for Energy (CARE) program and that do not exceed \$10 per residential customer account per month for customers not enrolled in the CARE program. The bill would authorize these maximum allowable fixed charges to be adjusted by no more than the annual percentage increase in the Consumer Price Index for the prior calendar year, beginning January 1, 2016.	4/22/2024 - Re- referred to Com. on RLS. pursuant to Assembly Rule 96.	Housing	Watch	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
24	AB 2286 / Aguiar-Curry	Vehicles: Autonomous Vehicles.	Restricts an autonomous vehicle (AV) with a gross vehicle weight (GVW) of 10,001 pounds or more from operating on public roads for testing purposes, transporting goods, or transporting passengers without a human safety operator physically present in the AV at the time of operation	4/25/2024 - From committee: Do pass and re-refer to Com. on Appr. (Ayes 10. Noes 1.) (April 24). Re-referred to Com. on Appr.	Public Safety/ Autonomous vehicles	Support	Watch
25	AB 2330 / Holden	Endangered Species: Incidental Take: Wildfire Preparedness Activities.	Authorizes various local agencies to submit to the Department of Fish and Wildlife (DFW) for approval, a voluntary program to conduct wildfire preparedness activities in a fire hazard severity zone (FHSZ) to minimize impacts to wildlife.	4/25/2024 - Re-referred to Com. on Appr.	Emergency Preparedness/ Wildfire	Support/ Sponsor	Watch
26	AB 2371 / Carrillo, Juan	Electrified Security Fences.	Current law authorizes an owner of real property to install and operate on their property an electrified security fence that has specified technical characteristics and is used to protect and secure commercial, manufacturing, or industrial property, or property zoned under another designation, but legally authorized to be used for a commercial, manufacturing, or industrial purpose. This bill would instead authorize an owner of real property to install and operate on their property an electrified security fence that is powered by an electrical energizer, driven by solar-charged batteries of no more than 12 volt of direct current, and used to protect and secure manufacturing or industrial property, or property zoned under another designation, but legally authorized to be used for a commercial purpose that stores, parks, services, sells, or rents vehicles and other materials, as specified.	4/25/2024 - In Senate. Read first time. To Com. On RLS. For assignment	Planning/ Legal	Oppose Unless Amended	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
27	AB 2409 / Papan	Office of Planning and Research: Permitting Accountability Transparency Dashboard	Would require the Office of Planning and Research, on or before January 1, 2026, to create and maintain, as specified, a permitting accountability transparency internet website (dashboard). The bill would require the dashboard to include a display for each permit to be issued by specified state agencies for all covered projects, defined as a publicly owned project for the development of infrastructure for water supply, flood risk reduction, energy reliability, or environmental protection or enhancement with an estimated cost of \$100 million or more.	4/16/2024 - From committee: Do pass and re-refer to Com. on APPR. with recommendation: To Consent Calendar. (Ayes 15. Noes 0.) (April 16). Re-referred to Com. on APPR.	Transparency/Permitting	Watch	Watch
28	AB 2433 / Quirk-Silva	California Private Permitting Review and Inspection Act: Fees: Building Permits.	Allows an applicant for a building permit to employ a private professional provider to perform plan-checking services, assess plans and specifications, and complete building inspections if the local agency fails to perform these functions within specified timeframes.	4/24/2024 - From committee: Do pass and re-refer to Com. on APPR. (Ayes 9. Noes 0.) (April 24). Re-referred to Com. on APPR.	Planning/Inspection	Oppose unless amended	Watch
29	AB 2665 / Lee	Housing Finance: Mixed Income Revolving Loan Program.	Establishes the Mixed Income Revolving Loan Program (the Program) at the California Housing Finance Agency (CalHFA) to provide zero-interest construction loans to qualifying infill housing developers for the purpose of constructing deed-restricted affordable housing.	4/16/2024 - Re-referred to Com. on APPR.	Housing/Affordable Loan	Support	Watch
30	AB 2790 / Pacheco	Crimes: Organized Retail Theft.	Makes it a felony to steal any infant formula or baby food as specified, over-the-counter medication, vitamin, supplement, as specified, or any medical product intended for the diagnosis or treatment of an illness, as specified, from a merchant's premises or online marketplace pursuant to the organized retail theft statute.	4/23/2024 - In committee: Hearing postponed by committee.	Public Safety/Retail theft	Support	Watch
31	AB 2814 / Low	Crimes: Unlawful Entry: Intent to Commit Package Theft	This bill creates a new crime making it unlawful to enter the curtilage of a dwelling with the intent to steal a package, punishable as an alternate misdemeanor-felony ("wobbler").	4/17/24 In committee: Set, first hearing. Referred to suspense file.	Public Safety	Support	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
32	AB 2854/ Irwin	Bradley-Burns Uniform Local Sales and Use Tax Law.	This bill requires a local agency to annually provide specified information to the California Department of Tax and Fee Administration (CDTFA) regarding the rebate of Bradley-Burns Uniform Local Sales and Use Tax Law (BB SUT) revenues.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Sales Tax/ Revenue	Watch	Watch
33	AB 2922 / Garcia	Economic Development: Capital Investment Incentive Programs.	Prior law, until January 1, 2024, authorized a county, city and county, or city to establish a Capital Investment Incentive Program (CIIP), pursuant to which the county, city and county, or city was authorized to pay, upon request, a capital investment incentive amount that does not exceed the amount of property tax derived from that portion of the assessed value of a qualified manufacturing facility, as defined, that exceeds \$150,000,000 to a proponent of a qualified manufacturing facility for up to 15 years. This urgency measure reestablishes, until January 1, 2035, the authorization for the local agency CIIP.	4/16/2024 - Re- referred to Com. on APPR.	Economic Development/ Retail incentives	Support	Watch
34	AB 2943/ Zbur	Crimes: Shoplifting	Would 1) create a new crime and penalty for retail theft including shoplifting, theft or burglary, for those that are repeat offenders, 2) provide that charges may be filed in multiple jurisdictions 3) allow for the aggregation of certain offenses, 4) increase the terms of probation from 1 year to 2 years, 5) clarify the ability for police to arrest without witnessing the crime, 6) extend the sunset date on the organized retail theft statute until 2031.	4/24/24 In Committee: Set, first hearing. Referred to suspense file.	Public Safety/ Retail theft	Support if Amend	Watch
35	AB 3035 / Pellerin	Agricultural Employee Housing: Streamlined, Ministerial Approval: Counties of Santa Clara and Santa Cruz	Expands the existing streamlined, ministerial approval process for farmworker housing established by AB 1783 (R. Rivas), Chapter 866, Statutes of 2019.	4/26/2024 Coauthors revised	Housing/ Zoning	None	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
36	AB 3171 / Soria	Controlled Substances: Fentanyl.	Increases the penalties for selling, distributing, or transporting fentanyl, an analog of fentanyl, or a substance containing fentanyl or an analog of fentanyl, if the amount of fentanyl weighs more than 28.35 grams.	4/24/24 Re-referred to Com. on Appr.	Public Safety/ Fentanyl	Support	Watch
37	SB 333 / Cortese	Homeless Pupils: California Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Program.	Establishes, subject to appropriation, the "California Success, Opportunity, and Academic Resilience (SOAR) Guaranteed Income Pilot Program" (Program) and the "California SOAR Guaranteed Income Fund" (Fund) for purposes of awarding monthly payments to twelfth grade students who are homeless from April 1, 2025, to August 1, 2025.	4/1/2024 - From committee with author's amendments. Read second time and amended. Re-referred to Com. on ED.	Homeless youth/ guaranteed income	Watch	Watch
38	SB 615/ Allen	Vehicle Traction Batteries	Would require vehicle traction batteries to be recovered and reused, repurposed, or remanufactured and recycled at the end of their useful life. This bill also requires vehicle manufacturers, dealers, dismantlers, repair dealers, or other secondary users to be responsible for ensuring responsible end-of-life management of vehicle traction batteries.	6/15/2023 June 20 set for first hearing canceled at the request of author.	Environmental Quality	Support in Concept	Watch
39	SB 707/ Newman	Responsible Textile Recovery Act of 2024	Would enact a stewardship program known as the Responsible Textile Recovery Act of 2024, which would require a producer of apparel, as defined, or textile articles, as defined, to form and join a producer responsibility organization or PRO. The bill would require the department to adopt regulations to implement the program no earlier than January 1, 2028. Upon approval of a plan, or commencing January 1, 2030, whichever is earlier, the bill would prohibit a producer from selling, offering for sale, importing, or distributing apparel or textiles in or into the state, unless the producer is a participant of a PRO, the department has approved the plan, and other criteria are met.	4/3/2024 From committee with author's amendments. Read second time and amended. Re-referred to Com. on NAT. RES.	Environmental Quality	Support	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
40	SB 915 / Cortese	Local Government: Autonomous Vehicles.	This bill authorizes local governments to regulate autonomous vehicles.	4/26/24 Set for hearing May 6	Legal/ Public Safety/ Autonomous vehicles	Support/ Sponsor	Watch
41	SB 937 / Wiener	Development Projects: Permits and Other Entitlements: Fees and Charges.	Would extend development entitlements for certain housing development projects by two years and places certain restrictions on the fees and charges a local agency may impose on these projects.	4/30/24 Read second time. Ordered to third reading.	Development fees/ revenue	Oppose unless amended	Watch
42	SB 972 / Min	Methane Emissions: Organic Waste: Landfills.	Would direct the California Department of Resources Recycling and Recovery (CalRecycle) to develop procedures for local jurisdictions to request technical assistance from the department on SB 1383 implementation. Requires the department to submit two reports to the Legislature on SB 1383 implementation.	4/25/2024 - Do pass and re-refer to Com. on APPR with recommendation: To consent calendar. (Ayes 7. Noes 0.) (April 24). Re-referred to Com. on APPR.	Environmental/ Waste management	Support/ Sponsor	Watch
43	SB 1011 / Jones	Encampments: Penalties	This bill would prohibit a person from sitting, lying, sleeping, or storing, using, maintaining, or placing personal property upon a street or sidewalk if a homeless shelter, as defined, is available to the person. The bill would also prohibit sitting, lying, sleeping, or storing, using, maintaining, or placing personal property within 500 feet of a public or private school, open space, or major transit stop, as specified. The bill would specify that a violation of this prohibition is a public nuisance that can be abated and prevented, as specified.	4/16/2024 - April 16 set for first hearing. Failed passage in committee. (Ayes 1. Noes 3.) Reconsideration granted.	Public Safety	Watch	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
44	SB 1037 / Wiener	Planning and Zoning: Housing Element: Enforcement.	This bill requires specific penalties to be imposed in any action brought by the Attorney General (AG) to enforce the adoption of housing element revisions, as specified, or to enforce any state law that requires a local government to ministerially approve, without discretionary review, any land use decision or permitting application for a housing development project. The bill also specifies that any injunction, provisional or otherwise, ordered by the court under the bill's provisions is deemed to be prohibitory, and not affirmative.	4/25/24 - Read second time and amended. Re-referred to Com. on APPR.	Housing/ Zoning/ Legal Fines	Oppose	Watch
45	SB 1046 / Laird	Organic Waste Reduction: Program Environmental Impact Report	This bill requires the California Department of Resources Recycling and Recovery (CalRecycle) to develop a Program Environmental Impact Report (PEIR) for small and medium compost facilities by January 1, 2027.	4/25/24 In Assembly. Read first time. Held at Desk.	Environmental/ Waste Recycling	Support	Watch
46	SB 1066 / Blakespear	Hazardous Waste: Marine Flares: Producer Responsibility.	Under existing law, as part of the hazardous waste control laws, the Department of Toxic Substances Control (DTSC) generally regulates the management and handling of hazardous waste and hazardous materials. This bill would create a producer responsibility program for marine flares with oversight from DTSC.	4/29/24 April 29 hearing: Placed on APPR suspense file.	Environmental/ Waste Management	Support	Watch
47	SB 1143 / Allen	Household Hazardous Waste: Producer Responsibility.	This bill would create a producer responsibility program for products containing household hazardous waste with oversight from the Department of Toxic Substances Control (DTSC).	4/29/24 April 29 hearing: Placed on APPR suspense file.	Environmental/ Waste Management	Support	City Will Consider on 5/7/24
48	SB 1164 / Newman	Property Taxation: New Construction Exclusion: Accessory Dwelling Units.	SB 1164 would enact a property tax new construction exclusion for the addition or construction of an accessory dwelling unit, as specified.	4/22/24 April 22 hearing: Placed on APPR suspense file.	Housing/ Revenue/ Property Tax	Oppose	Watch

2024 State Legislative Bills of Interest							
#	Bill/ Author	Title	Summary	Status	Category	Cal Cities Position	City Position
49	SB 1280 / Laird	Waste Management: Propane Cylinders: Reusable or Refillable.	Existing law, the California Integrated Waste Management Act of 1989, establishes the Department of Resources Recycling and Recovery and requires the department to adopt rules and regulations, as necessary, to carry out the act. This bill would, on and after January 1, 2028, prohibit the sale or offer for sale of propane cylinders other than those propane cylinders that are reusable or refillable, as defined.	4/23/24 Read second time. Ordered to third reading.	Environmental/ Waste Management	Support	Watch
50	SB 1330 / Archuleta	Urban Retail Water Supplier: Water Use.	Would make substantial changes to the urban water use efficiency framework including moving several dates to reflect implementation delays, among other provisions.	4/24/24 Read second time and amended. Re-referred to Com. on APPR.	Environmental/ Water Conservation	Support	Watch
51	SB 1361 / Blakespear	CEQA Exemption: Local Agencies: Contract for Providing Services for People Experiencing Homelessness	This bill creates a California Environmental Quality Act (CEQA) exemption for actions taken by a local agency to approve a contract for providing services for people experiencing homelessness.	4/25/24 In Assembly. Read first time. Held at Desk.	Homelessness/ CEQA	Support	Watch
52	SB 1461 / Allen	State of Emergency and Local Emergency: Landslide.	This bill: 1) Adds "landslide" to the list of conditions that constitute a state of emergency or a local emergency. 2) Defines "landslide" to mean the movement of a mass of rock, debris, or earth down a slope under the direct influence of gravity that travels at a speed of at least one inch per year.	4/26/2024 - Set for hearing May 6.	Emergency Preparedness/ Landslide	Support	Watch
53	SB 1494 / Glazer	Local Agencies: Sales and Use Tax: Retailers.	This bill prohibits a local agency, on or after January 1, 2024, from entering into, renewing, or extending sales and use tax rebate agreements with retailers in exchange for locating in their jurisdiction, and voids agreements entered into before that date on January 1, 2030.	4/25/24 Read second time. Ordered to third reading.	Sales Tax/ Revenue	Oppose	Watch



CITY MANAGER'S OFFICE

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CITY COUNCIL INFORMATIONAL MEMORANDUM

Date: August 30, 2024

To: Cupertino City Council
From: Pamela Wu, City Manager

Re: 2024 Legislative Status Update

This memo focuses on the recent updates to the bills that the Council supported in May: the BAHFA Regional Housing Bond, Assembly Bill 1779, and Senate Bill 1143. The bills can be amended during the legislative session before being sent to the Governor. The Governor has until September 30 to make his final decision on all pending legislation. Below are updates to the three bills mentioned above:

BAHFA Regional Housing Bond

Council position: Support in Concept with concerns relating to return to source funding and public oversight.

Update: On Wednesday, August 14, the Bay Area Housing Finance Authority (BAHFA) voted to remove the \$20 billion general obligation bond measure for the production and preservation of affordable housing from the November 5 general election in all nine Bay Area counties. The BAHFA Chair and Association of Bay Area Governments (ABAG) President issued a [joint statement](#)¹, which states that BAHFA will look ahead to a future election.

Assembly Bill (AB) 1779

Council position: Support

Update: On Friday, August 16, Governor Newsom signed a package of 10 bills aiming to prevent retail crime and other types of property theft. One of those bills was AB 1779, which permits the consolidation of specified theft charges. This bill will officially become part of state law that will go into effect on January 1, 2025. An article detailing all 10 bills can be viewed [here](#)².

¹ <https://mtc.ca.gov/news/bahfa-abag-leaders-issue-statement-withdrawal-housing-bond-measure-november-ballot>

² <https://www.mercurynews.com/2024/08/19/10-bills-newsom-crackdown-retail-theft/>

Senate Bill (SB) 1143

Council position: Support

Update: On Monday, August 19, SB 1143 was amended to narrowly focus on waste management for paint products. The amendment also removes provisions that would have supported waste management systems for Household Hazardous Waste (HHW) at no cost to residents or local governments. As amended, this bill expands the existing PaintCare program to allow for more products to be recovered. Current bill text and prior versions can be viewed [here](#)³. The most recent Assembly Floor Analysis is included as Attachment A. Currently, this bill is still being considered and future amendments may still occur until August 31.

In October, the City's lobbyist, City Attorney's office and staff will prepare a comprehensive legislative wrap-up memorandum to Council recapping the 2024 Legislative Session. This will also include information regarding Ballot Measures that will be part of the November 5 general election.

Sustainability Impact

Though the scope of SB 1143 was narrowed, the amendments to SB 1143 would allow for more paint products to be recovered through the PaintCare program.

Fiscal Impact

Changes to SB 1143 will no longer result in reimbursement that could be applied to the City's participation in the County's HHW program. Diverting more paint products to PaintCare will save the County HHW program the expense of handling those materials, which may result in savings to the City. The City currently has funding to participate in the County's HHW program for the next 3-4 years.

Prepared by: Astrid Robles, Senior Management Analyst

Reviewed by: Tina Kapoor, Deputy City Manager

Michael Woo, Senior Assistant City Attorney

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – SB 1143 Assembly Floor Analysis

³ https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill_id=202320240SB1143

SENATE THIRD READING
SB 1143 (Allen)
As Amended August 19, 2024
Majority vote

SUMMARY

Expands and renames the Architectural Paint Recovery Program, the state's paint recovery and recycling program.

Major Provisions

- 1) Renames the Architectural Paint Recovery Program the Paint Product Recovery Program (Program).
- 2) Replaces the definition of "architectural paint" with a new definition of "paint product" that includes nonindustrial coatings and coating-related products sold in containers of five gallons or less for commercial or homeowner use, but does not include products purchased for industrial or original equipment manufacturer use.
- 3) Clarifies that "paint products" do not include health and beauty products.
- 4) Defines "permanent collection sites" and "temporary collection sites" as permanent and temporary locations where discarded paint products may be returned at no cost to be reused or otherwise managed, respectively.
- 5) Requires CalRecycle to adopt regulations to implement the bill's requirements and specifies that aerosol coating products, coating-related products, and industrial coatings are not subject to the Program until the implementation date of the relevant stewardship plan or January 1, 2028, whichever is sooner.
- 6) Recasts and reorganizes provisions of the Program.

COMMENTS

According to CalRecycle, EPR is a strategy that places shared responsibility for end-of-life management of products on the producers and all entities involved in the product chain, instead of entirely on local governments and consumers. EPR programs rely on industry, formalized in a product stewardship organization, to develop and implement approaches to create a circular economy that makes business sense, with oversight and enforcement provided by a government entity. This approach provides flexibility for manufacturers to design products in a way that facilitates recycling and to develop systems to capture those products at the end-of-life to meet statutory goals. California has established EPR programs for carpet, paint, pharmaceuticals, household batteries, and mattresses. Additionally, SB 54 (Allen Chapter 75, Statutes of 2022) established the Plastic Pollution Prevention and Packaging Producer Responsibility Act, which imposes minimum content and source reduction requirements for plastic single-use packaging and food service ware through an EPR program.

The Program requires manufacturers of architectural paint to, individually or through a stewardship organization, submit an architectural paint stewardship plan to the CalRecycle. This stewardship plan develops and sets implementation steps to reduce reuse, and manage the end of

life of postconsumer architectural paint. Existing law requires a manufacturer of architectural paint or a stewardship organization to submit a yearly report describing its architectural paint recovery efforts to CalRecycle.

This bill adds nonindustrial coating-related products sold in containers of less than five gallons to the state's paint EPR program and revises and recasts the requirements of the Program. Including these products in the Program puts nearly all paint-related producers in the state under one program and exempts them from the requirements of SB 54.

According to the Author

California's PaintCare Program has proven to be a successful recycling and end-of-life management system for various kinds of paint products. Without these programs and requirements for producer responsibility, paint waste can otherwise be problematic in the waste stream and pose toxicity concerns. However, PaintCare's limited scope has meant local governments continue to bear the financial burdens of managing other paint related products in the waste stream and communities are confused how to properly dispose of different paint products. Expanding PaintCare's covered products will streamline California's operations in order to more successfully recycle and manage excess paint, protect the environment, and reduce burdens on our local governments. Expanding this program now will also take advantage of current planned workloads at CalRecycle by aligning implementation with existing regulatory processes

Arguments in Support

According to the American Coatings Association (ACA):

The changes to PaintCare's Program under SB 1143 are the result of collaboration with stakeholders and legislative staff interested in ensuring all coatings and related products can be properly managed through PaintCare's existing network, helping to protect the environment and provide convenient end-of-life management access for consumers. Further, including these remaining non-industrial coatings and coatings related products under California's existing PaintCare program will substantially reduce the financial and logistical burden to local governments by managing paint and allied products in a single program. ACA believe these technical changes will help build upon the success of California's PaintCare Program and is timely as the Legislature recently passed other important measures focused on reducing waste. Finally, SB 1143 will make California's PaintCare Program the first in the nation to provide management of these remaining products, which will likely be a model for other states.

Arguments in Opposition

None on file

FISCAL COMMENTS

According to the Assembly Appropriations Committee, costs (special funds) of an unknown amount to CalRecycle to develop and adopt regulations and to incorporate additional paint products into its existing paint EPR program. Costs may be offset by additional deposits from newly covered manufacturers.

VOTES

SENATE FLOOR: 30-7-3

YES: Archuleta, Ashby, Atkins, Becker, Blakespear, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hurtado, Laird, Limón, McGuire, Menjivar, Min, Newman, Padilla, Portantino, Roth, Rubio, Skinner, Smallwood-Cuevas, Stern, Umberg, Wahab, Wiener
NO: Dahle, Grove, Jones, Nguyen, Niello, Ochoa Bogh, Seyarto
ABS, ABST OR NV: Allen, Alvarado-Gil, Wilk

ASM ENVIRONMENTAL SAFETY AND TOXIC MATERIALS: 5-2-0

YES: Garcia, Connolly, McKinnor, Papan, Reyes
NO: Hoover, Ta

ASM NATURAL RESOURCES: 9-2-1

YES: Bryan, Bauer-Kahan, Connolly, Friedman, Kalra, Muratsuchi, Pellerin, Wicks, Wood
NO: Flora, Hoover
ABS, ABST OR NV: Lackey

ASM APPROPRIATIONS: 11-3-1

YES: Wicks, Arambula, Bryan, Calderon, Wendy Carrillo, Mike Fong, Grayson, Haney, Hart, Pellerin, Villapudua
NO: Sanchez, Dixon, Ta
ABS, ABST OR NV: Jim Patterson

UPDATED

VERSION: August 19, 2024

CONSULTANT: Elizabeth MacMillan / NAT. RES. / (916) 319-2092

FN: 0004111

2024 California Election Preview Statewide Ballot Measures

Overview

California is one of 26 states that gives voters the direct opportunity to make public policy and spending decisions on behalf of its citizens. In fact, for state borrowing through bonds and amendments to the State Constitution, voter approval is required. The November 2024 ballot will have a total of 10 statewide measures to be decided by voters comprising two General Obligation Bonds placed on the ballot by the Legislature; three Constitutional Amendments passed by the Legislature; and five initiatives placed directly on the ballot by special interest groups who collected enough signatures to do so.

Measures for the Ballot

Proposition 2: Authorizes Bonds for Public School and Community College Facilities

This General Obligation Bond was placed on the ballot by AB 247 (Muratsuchi) which passed the Legislature and was signed by Senator Mike McGuire who was acting Governor at the time. Prop 2 proposes to provide \$8.5 billion for K-12 schools and \$1.5 billion for community colleges for construction and modernization.

Proposition 3: Constitutional Right to Marriage

This Constitutional Amendment was put on the ballot by the Legislature through ACA 5 (Low). The language from Proposition 8 which banned same-sex marriage, was passed by voters in 2008 and is still technically on the books, even though the U.S. Supreme court has ruled it unconstitutional and federal law now protects the right to same-sex marriage. If passed, Proposition 3 would remove this language and instead recognize marriage as a “fundamental right” for everyone in the California Constitution.

Proposition 4: Authorizes Bonds for Safe Drinking Water, Wildfire Prevention, and Protecting Communities and Natural Lands from Climate Risks

Prop 4 commonly referred to as the climate resilience bond, was placed on the ballot by SB 867 (Allen) which passed the Legislature and was signed by acting Governor, Senator Mike McGuire. It would provide funding for climate resilience projects including \$3.8 billion to provide funding for safe drinking water, recycled wastewater, stored groundwater and flood control. An additional \$1.5 billion would be spent on wildfire protection, while \$1.2 billion would go toward protecting the coast from sea level rise. The rest of the funds would go towards building parks, protecting wildlife and their habitats, combating air pollution, dealing with extreme heat events, and supporting sustainable farming practices.

Proposition 5: Allows Local Bonds for Affordable Housing and Public Infrastructure with 55% Voter Approval

This Constitutional Amendment was placed on the ballot by the Legislature through ACA 1 (Aguiar-Curry) and ACA 10 (Aguiar-Curry). It would make it easier for local governments to borrow money for affordable housing and other infrastructure projects by lowering the vote threshold to pass local bond measures from 66.67% to 55%.

Proposition 6: Eliminates Constitutional Provision Allowing Involuntary Servitude for Incarcerated Persons

This Constitutional Amendment was placed on the ballot by the Legislature through ACA 8 (Wilson). It seeks to end indentured servitude in state prisons, which is considered one of the last remnants of slavery.

Proposition 32: Raises Minimum Wage

Proposition 32 would increase minimum wage to \$18 an hour by 2026. However, this initiative may not be significant to many people because it was first proposed in 2021 when the minimum wage was \$14 an hour. Since then, unions have secured \$25 an hour for healthcare workers and \$20 an hour for fast-food workers, and many major cities already have local wage ordinances with \$18 an hour minimum wage. Given these developments, it is unclear how the campaigns for and against this measure will play out.

Proposition 33: Expands Local Governments' Authority to Enact Rent Control on Residential Property

Proposition 33 would give local governments in California much more power to control rents, by allowing for rent price caps on single-family homes. Right now, state law limits rent increases for tenants in apartments and corporate-owned single-family homes older than 15 years. State law bans rent control on single-family homes and apartments built after February 1, 1995. The AIDS Healthcare Foundation is the sponsor for this measure. This group also backed two similar statewide rent control initiatives that failed in 2020 and 2018.

Proposition 34: Restricts Spending of Prescription Drug Revenues by Certain Health Care Providers

Backed by the California Apartment Association and Real Estate industry, Proposition 34 would limit how certain healthcare providers spend money from a federal prescription drug program. It targets the AIDS Healthcare Foundation, which, as noted above, has attempted several rent control initiatives over the years, including Proposition 33. This measure is designed to restrict the AIDS Healthcare Foundation's ability to continue to push rent control laws. The AIDS Healthcare Foundation has been criticized for focusing on housing instead of its main mission of helping people with HIV or AIDS.

Proposition 35: Provides Permanent Funding for Medi-Cal Health Care Services

This initiative would enshrine an existing tax on Managed Care Organizations (MCOs) and restrict California lawmakers from redirecting these funds to other purposes. Prop 35 will provide new resources to essential health care providers, including community health clinics, hospitals, emergency rooms, primary care, family planning, mental health services, and specialty care like cancer treatment, cardiology, and OBGYN. It will also invest in paramedics, first responders, and community health workers. Additionally, Prop 35 will create ongoing funding for the General Fund to address further health care priorities.

Proposition 36: Allows Felony Charges and Increases Sentences for Certain Drug and Theft Crimes

This measure seeks to amend Proposition 47, the 2014 initiative that reduced certain nonviolent felonies to misdemeanors. Proposition 36 would increase penalties for drug dealers whose sales of fentanyl and increase penalties for retail theft. The push for these changes comes in response to heightened public awareness of retail theft and fentanyl abuse over the past years. Supporters include District Attorneys, major retailers, and law enforcement groups. Governor Newsom and legislative democrats opposed changing Proposition 47 and instead attempted to propose an alternative ballot measure known as the Safer California Plan. However, they withdrew that plan in mid-June before the deadline to remove measures from the ballot.

Attachment E - 2024 Local County Initiative

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FILED
AUG 19 2024

Impartial Analysis – Cupertino Union School District School Facilities Bond Measure Z

REGISTRAR OF VOTERS
COUNTY OF SANTA CLARA
By [REDACTED] Deputy

START → California law permits school districts to issue bonds with the approval of 55% of district voters. Such bonds may be used only for construction, reconstruction, rehabilitation, or replacement of school facilities, including furnishing and equipping those facilities, or the acquisition or lease of real property for school facilities. **48**

The Board of Education (Board) of the Cupertino Union School District (District) has placed on the ballot a Measure authorizing the issuance and sale of up to \$347 million in such bonds for the purposes of constructing, renovating, and updating school facilities. **42**

As identified in the Measure, the types of projects may include but are not limited to: **16**

- Replacing or repairing roofs, sewer, gas lines, waterlines, storm drains, and plumbing, heating, ventilation, cooling, and electrical systems; **18**
- Renovating and constructing facilities for STEM and arts instruction; vocational, career, and special education programs; libraries, media centers, mental health, wellness, counseling, and nursing; and athletics and play. **28**
- Upgrading campus safety and security systems; **6**
- Installing and expanding technology systems; **5**
- Making health and safety improvements, including seismic reinforcement and repairing termite damage and aging building materials; **16**
- Repairing or replacing portable classrooms; **75**
- Constructing and equipping transitional kindergarten, pre-kindergarten, and other preschool spaces; **10**
- Constructing or retrofitting food service facilities; **6**
- Improving energy efficiency and sustainability, including installing solar panels and electric vehicle charging stations; and **15**
- Performing accessibility upgrades to comply with state and federal laws. **10**

Project costs may include architectural, engineering, legal, and planning costs, as well as staff training expenses. As state law requires, the Measure prohibits bond proceeds from being used for teacher or administrator salaries or other school operating expenses. **38**

These general obligation bonds will be payable from ad valorem taxes levied on taxable real property within the District. The Measure states that the best estimate of the average annual tax rate to be levied to repay the proposed bonds is \$20.09 per \$100,000 of assessed value, and that the final fiscal year in which the tax is anticipated **59**

Attachment E - 2024 Local County Initiative

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to be collected is 2055-56. The Measure states that the best estimate of the total debt service during the life of the bond, including principal and interest, is \$647.7 million. 30

State law requires the District to take certain steps to account for the bond proceeds. Accordingly, the District has listed in the Measure the specific projects to be funded, including a certification that, in developing the list, the Board evaluated safety, class size reduction, and information technology needs. Additionally, the District will direct the proceeds be deposited into a special account, appoint an independent citizens' oversight committee, conduct annual independent performance and financial audits, and prepare annual reports on funds collected and expended and the status of any funded project. 90

A "yes" vote is a vote to authorize the issuance and sale of up to \$347 million of general obligation bonds to fund school facilities projects as described in the Measure. 31

A "no" vote is a vote not to authorize the issuance and sale of the bonds. ← end 16

Tony LoPresti
County Counsel

By:



Jamila Benkato
Deputy County Counsel

WC:489