

GOVERNANCE, TRANSPARENCY, AND LABOR RELATIONS POLICY COMMITTEE HIGHLIGHTS January 18, 2024

ATTENDANCE

Members: Frank Yokoyama (Chair); Jaime Patino (Vice Chair); Michael Allawos; Gary Alpert; Jan Arbuckle; Ken Berkman; Jessica Blair; Susan Candell; Jaimie Cannon; Martha Cardenas-Singh; Cedric Cesena; Janet Conklin; Christine Cordon; Elisa Cox; Jessica Deakyne; Chris Duncan; Ramon Ebert; Mario Fernandez; George Harris; Mike Healy; Randi Johl; Lisa Kaplan; Linda Krupa; Frank Luckino; Michael Luellen; Dianna MacDonald; LeeAnn McPhillips; Katherina Mirassou; John Mirisch; Dolores Morales; David Newman; Buenaflor Nicolas; Mitzi Ortiz; Travis Paden; Chuck Page; LaVonda Pearson; Thai Phan; Chaps Poduri; Pam Powell; Jeremy Ray; Gabriel Reyes; Rocky Rhodes; Hong Sae; Tanya Spiegel; Blair Stewart; Mary Zendejas

Cal Cities Partners: Chris Neumeyer; Patty Senecal

<u>Staff</u>: Johnnie Pina, Legislative Affairs Lobbyist Betsy Montiel, Legislative Affairs Analyst

I. Welcome and Introductions

Chair Frank Yokoyama and Vice Chair Jaime Patino introduced themselves and welcomed the committee. New committee members were given the opportunity to introduce themselves.

Cal Cities Executive Director, Carolyn Coleman welcomed everyone and underscored the invaluable work of the policy committees. Ms. Coleman emphasized that the policy committee discussions are central to thoughtful consensus around the member-driven priorities of Cal Cities. Ms. Coleman thanked the committee for their good work.

Cal Cities President, Daniel Parra welcomed everyone to the first policy committee meeting of the year and thanked members for their services to all California cities. Mr. Parra explained that policy committees are vitally important and directly connected to Cal Cities' core mission of advocating for the common interests of cities.

Chair Yokoyama thanked Cal Cities leadership for welcoming the committee and Cal Cities staff, Johnnie Pina also welcomed the committee and proceeded to a review of the agenda.

II. Public Comment

Chair Frank Yokoyama asked if there was any public comment. None were provided.

III. General Briefing

In accordance with the customary practice of convening all policy committee members for a general briefing prior to the start of policy committee meetings, the Cal Cities advocacy team compiled a <u>General Briefing Update Document</u>, which includes the latest on legislative and budgetary matters affecting cities.

IV. Artificial Intelligence (AI) Update

Guest speaker, Jonathan Mehta Stein, Executive Director of California Common Cause, an organization that works to strengthen public participation and foster public trust in California's democratic processes, updated the committee on the topic of Al. California Common Cause has recently expanded their operations and created, California Initiative for Technology & Democracy: CITED. CITED works to impartially address emerging threats on democracy, including threats of disinformation related to Al.

Mr. Stein gave examples of how AI can be a powerful tool for local governments, especially in the context of transparency related to electoral processes. Mr. Stein also informed the committee of the dangers ahead if AI continues to go unregulated. Examples of AI tools that are used to manipulate an audience were addressed, such as, deep fakes that are used to produce voice-overs and other forms of content that is developed to manipulate the public.

The committee was informed of the work that is being done to develop policies that address the ever-changing landscape of AI and technological advances in machine learning. Mr. Stein emphasized the importance of policy development to regulate the distribution of materially deceptive deep fakes in an election, which could compromise the integrity of a candidate or an entire election.

V. Update to Existing Policy and Guiding Principles

The Cal Cities Summary of Existing Policy and Guiding Principles are updated every two years to reflect the committee's work. This information is used as a reference tool to advocate on newly adopted issues.

For 2024, in accordance with previous committee action, the proposed policy additions included:

- Support for legislation that puts before voters the question of whether general law cities should have the ability to create public campaign finance programs.
- 2. Support for legislation to increase flexibility and remove limitations on how campaign funds may be used for security purposes.

Following a robust discussion, a motion to approve the changes to the Existing Policy and Guiding Principles document was made, which passed with one abstention.

VI. Cal Cities 2024 Advocacy Priorities

Cal Cities staff provided the committee an overview of Cal Cities 2024 Advocacy Priorities, which are the following:

- 1. Safeguard local revenues and bolster economic development.
- 2. Strengthen climate change resiliency and disaster preparedness.
- 3. Improve public safety in California communities.
- **4.** Expand investments to prevent and reduce homelessness and increase the supply of affordable housing.

Chair Yokoyama informed the committee of the extensive deliberation and discussion that goes into developing consensus around these four priority areas.

VII. Adoption of 2024 Work Program

Cal Cities staff provided the committee an overview of Cal Cities 2024 Advocacy priorities.

To inform the committee's work program, committee members were asked to respond to an online survey selecting their top priorities for the committee to focus on in the coming year. The motion was made to adopt the amended work program, with two members in opposition. The committee adopted the following work program:

- 1. **Elections:** The Committee will keep up to date on issues related to the upcoming election. The committee will also be advocating for resources to support our cities in the upcoming elections.
- 2. Labor Relations: The committee will be briefed and kept well informed regarding changes legislation that impacts cities as employers. Staff will continue to advocate to protect cities from unworkable mandates.
- 3. Transparency and Technology: The committee will push for reasonable modernizations to the Brown Act, including expansion to the state legislature, and solutions to reduce abuses of public record requests. Advocate for more resources and coordination on cybersecurity issues for local governments.
- **4. Public Pension Liability:** The committee will engage with CalPERS and remain informed on legislation, court actions, and administrative activity at CalPERS affecting pension costs, and other post-employment benefits.

VIII. Suggested Restructuring of SB 252

Cal Cities staff, Johnnie Pina introduced guest speaker, Mike Healy, Council Member of Petaluma. Council Member Healy briefed the committee on SB 252, a two-year bill that would direct CalPERS to make divestments from the fossil fuels industry. Mr. Healy proposed to the committee that cities be allowed to elect CalPERS investments that are free from fossil fuels. Conversely, cities that wish to remain with the CalPERS standard investments portfolio should be authorized to do so. He also discussed the letter that was sent to Senator Gonzalez, the author of SB 252, in which these amendments were requested.

The committee held a discussion and deliberated the merits of restructuring SB 252. The committee will bring back this item at the March policy committee meeting.

IX. Legislative Agenda

Cal Cities staff, Johnnie Pina gave an overview of <u>SB 251</u> (Newman). The legislation would raise the maximum fine for intentionally misleading the voters in a candidates' statement. A motion was made by the committee for Cal Cities to take a support position on SB 251 (Newman). The motion carried with only two committee members opposing.

X. Legislative and Budget Update

Cal Cities staff, Johnnie Pina gave the committee an overview of the <u>Cal Cities</u> <u>bill search</u> tool that is posted on the Cal Cities website. Johnnie gave an overview of two-year bills that are of significance to the committee. The following bills were discussed; <u>AB 817</u> (Pacheco), <u>AB 270</u> (Lee), <u>SB 24</u> (Umberg), <u>SB 399</u> (Wahab), <u>SB 908</u> (Cortese).

Johnnie gave an overview of the Governor's 2024-25 Budget Proposal. The proposed 2024-25 state budget forecasts a deficit of \$38 billion, with a proposed budget of \$291.5 billion. Does not include a redirection of city funds to address budget shortfalls and does not cut into most state programs.

Cal Cities budget request called on the state to honor funding commitments made to cities in the prior year's budget, create a permanent dedicated funding stream of \$3 billion annually to address homelessness and construct more affordable housing, and safeguard local revenue. For more information see the <u>Cal Cities Budget Letter</u>.

XI. Adjourn

Chair Frank Yokoyama thanked Cal Cities staff and Vice-Chair Jaime Patino for their help with preparing this year's committee meeting. Chair Yokoyama provided some closing remarks and thanked the committee, then adjourned the meeting.

Next Meeting: In Person, Thursday, March 21, 10:00 a.m.-2:00 p.m.

Marriott Burbank Airport Hotel, 2500 N. Hollywood Way, Burbank