



GOVERNANCE, TRANSPARENCY AND LABOR RELATIONS POLICY COMMITTEE HIGHLIGHTS

Friday, January 27, 2023

ATTENDANCE: Elisa Cox (Chair); Frank Yokoyama (Vice Chair); Paul Akinjo; Michael Allawos; Cindy Allen; Gary Alpert; Dana Anderson; Melanie Bagby; Scott Bauer; Daniel Buckshi; Walter Chung; Tessa Clure; Jessica Deakyne; Leon Garcia; Eniko Gold; Raymond Gregory; George Harris; Mike Healy; Linda Hollinsworth; John Janspns; Bhavin Jindal; Randi Johl; Jelanie Killings; Tamara Letourneau; Joe Lopez; Julie Lucido; Frank Luckino; Deborah McGarrey; John Mirisch; Brian Mohan; Buenaflor Nicolas; Cynthia Owens; Chuck Page; Jaime Patino; LaVonda Pearson; Chaps Poduri; Pam Powell; Jeremy Ray; Kendall Sawyer; Reina Schwartz; Sepi Shyne; Tanya Spiegel; Mark Tettermer; Regina Youngblood; Mary Ann Zendejas

Cal Cities Partners: Craig Hayes; Patty Senecal

Staff: Johnnie Pina, Legislative Affairs, Lobbyist

I. **Welcome and Introductions**

President Ali Sajjad Taj, Council Member, Artesia, welcomed everyone to the first policy committee meeting of the year and thanked members for their service to all California cities. He explained that policy committees are vitally important and directly connected to Cal Cities' core mission of advocating for the common interests of cities.

President Taj then introduced Carolyn Coleman, Cal Cities Executive Director and CEO. Ms. Coleman welcomed committee members and thanked them for their service to their cities and Cal Cities. She explained that the policy committee process is central to Cal Cities advocacy, ensuring it is member driven and represents the interests of cities across California. Ms. Coleman thanked committee members again for serving on the committees and wished them a great meeting.

Chair Cox, and Vice Chair Yokoyama, welcomed committee members and provided an introduction.

II. **CalPERS Update on Investment Strategy**

Anton Orlich, Managing Investment Director, Private Equity, CalPERS and Interim Division Chief, CalPERS Office of Stakeholder Relations, David Teykaerts provided a detailed update which focused on how CalPERS is adjusting their investment portfolio to invest in private assets more heavily and how this shift came to be.

III. **Public Comment**

Chair Cox asked if there was any public comment. There was no public comment.

IV. 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, Cal Cities staff provided a General Briefing of all policy areas, which includes the latest on legislative and budgetary matters affecting cities, as detailed below. The Advocacy team's complete analysis of the [Governor's proposed budget for 2023-24](#) and the [2023 Advocacy Priorities](#) are available on the Cal Cities' website.

- **Community Services:** The Governor's proposed 2023-24 budget maintains funding for homelessness and urges the Legislature to introduce new accountability measures for local governments, included in [AB 799](#) (Luz Rivas, 2023). In 2023, Cal Cities will focus on implementing the Community Assistance, Recovery and Empowerment (CARE) Act, modernizing the behavioral health system, addressing the substance use crisis, including fentanyl overdoses among young Californians, and securing ongoing funding for cities to address homelessness.
 - [Caroline Cirrincione](#), *Legislative Affairs, Lobbyist*
- **Environmental Quality:** The Governor's proposed 2023-24 budget includes reductions in climate resiliency commitments, including programs for addressing extreme heat, community resilience, and coastal resilience. The \$180 million that Cal Cities secured in the 2022 Budget Act for the implementation of organic waste diversion (SB 1383, Lara, 2016), remains in the budget. Throughout 2023, Cal Cities will focus on implementing [SB 54](#), landmark single-use plastic legislation enacted in 2022.
 - [Nick Romo](#), *Legislative Affairs, Lobbyist*
- **Governance, Transparency, and Labor Relations:** Cal Cities is focused on modernizing the Brown Act and ensuring flexibility for local governments in hiring retired annuitants, while opposing legislation that could impact CalPERS returns, such as legislation to divestment from certain industries.
 - [Johnnie Ping](#), *Legislative Affairs, Lobbyist*
- **Housing, Community, and Economic Development:** The Governor's proposed 2023-24 budget reduces funding for housing programs, including the Dream For All Program, CalHome Program, and Accessory Dwelling Unit Program. Cal Cities will continue to monitor and advocate for sustainable funding for affordable housing, while also monitoring restrictions on local land use authority, changes to development fees, and potential changes to [SB 35](#) (Wiener, 2017), which requires local governments to streamline certain housing projects.
 - [Jason Rhine](#), *Assistant Director, Legislative Affairs*
- **Public Safety:** The Governor's proposed 2023-24 budget prioritizes addressing the substance use crisis with nearly \$100 million to respond to fentanyl use, while also planning to close several state prisons and related prison facilities. Cal Cities will continue to monitor issues such as initiatives to change Proposition 47, emergency medical services efficiencies, emergency preparedness/response, and behavioral health.
 - [Elisa Arcidiacono](#), *Legislative Affairs, Lobbyist*
- **Revenue and Taxation:** Cal Cities is committing to preserving existing local revenue streams and bolstering local fiscal sustainability. Cal Cities is strongly

opposed to the [California Business Roundtable ballot measure](#) that would restrict new or increased taxes and jeopardize local fiscal sustainability and is actively monitoring introduced legislation that would create new tax exemption programs that would reduce local tax revenues.

- [Jessica Sankus](#), *Senior Policy and Legislative Affairs Analyst*
- **Transportation, Communications, and Public Works:** Cal Cities is working with the California Air Resources Board to draft new language for its proposed Advanced Clean Fleets regulations, local and state transportation funding, broadband expansion, and recycled water.
 - [Damon Conklin](#), *Legislative Affairs, Lobbyist*

V. [Existing Policy and Guiding Principles](#)

Mr. Pina provided an overview of the Governance, Transparency, and Labor Relations (GTLR) [Existing Policy and Guiding Principles](#) document. Mr. Pina explained the importance of the guiding principles. This document contains Cal Cities policies that reflect positions taken by the policy committee and the Cal Cities Board of Directors and is used as a reference tool for Cal Cities staff when reviewing legislation.

VI. [Cal Cities Advocacy Priorities](#)

The committee was updated on the Cal Cities 2023 Advocacy Priorities. Cal Cities staff discussed the results of the League Leaders workshop and explained the process by which these priorities are established. The Cal Cities 2023 Advocacy Priorities is as follows:

1. **Protect and expand investments to prevent and reduce homelessness.** Secure sustainable state funding that bolsters cities' efforts to support individuals experiencing, or at risk of, homelessness. While protecting existing resources, strengthen state and local partnerships to connect individuals with the care they need through coordinated care systems that provide access to wraparound services, including mental health and substance use treatment.
2. **Increase the supply and affordability of housing while retaining local decision making.** Secure long-term, sustainable funding tools for cities to jumpstart the construction of housing at all income levels and ensure cities retain flexibility to achieve local and state housing goals.
3. **Improve public safety in California communities.** Pursue strategies and resources to address crime and its underlying causes. Partner with all levels of government and diverse organizations to improve community safety through prevention and early intervention programming, workforce recruitment and retention, and improved reentry services.
4. **Safeguard essential local revenues and support fiscal sustainability.** Protect, increase, and modernize revenue streams for local priorities. Oppose efforts that would reduce or eliminate funding for cities, including unfunded mandates.

VII. Adoption of 2023 Work Program

Mr. Pina presented the Committee their draft work program. The draft work program was compiled using the responses from the GTLR work program survey that was distributed to the committee prior to the meeting. After some discussion, the committee unanimously voted to adopt the work program.

The GTLR 2023 Work Program is as follows:

- 1. 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.
- 2. Transparency and Technology:** The committee will push for reasonable modernizations to the Brown Act and solutions to reduce abuses of public record requests; and advocate for more resources and coordination on cybersecurity issues for local governments.
- 3. Labor Relations and Workers' Compensation:** The committee will be briefed and kept well informed regarding changes to the workers' compensation system as well as other matters that impact cities as employers. Staff will continue to advocate to protect cities from unworkable mandates and unreasonable expansions of the workers' compensation system.
- 4. Monitor Legislation:** The committee will continue to monitor legislation as it relates to the subject matter of this committee. It is the goal of the committee to support presentations and discussions that benefit their consideration of legislation and recommendations to Cal Cities.

VIII. Legislative Agenda

AB 37 (Bonta) Political Reform Act of 1974: Campaign Funds: Security Expenses.

This measure would lift existing limitations governing how campaign funds may be used by candidates and elected officials for security expenses.

Cal Cities staff provided a detailed explanation of the proposal and asked committee members for input and direction. After a thoughtful but brief discussion, the committee voted unanimously to support AB 37.

IX. SB 1439 (Glazer) Update

Rebecca Moon, Sr. Assistant City Attorney, Sunnyvale, provided the committee with a detailed explanation of SB 1439 and how it will impact local elected officials. The update also included an explanation of how Cal Cities has worked with the Fair Political Practices Commission (FPPC) to gain clarity as to when the new legislation would go into effect. Cal Cities will also be engaging with the

FPPC regulations and exploring options for how the law may need to be modified.

X. Cybersecurity Update from Cal OES (Invited)

Cal COES was unavailable to attend the meeting. This presentation will be deferred to the March meeting.

XI. Brown Act Update and Roundtable

Committee members were separated into breakout rooms where they had the opportunity to share their thoughts on the current teleconference requirements and what they would like to see going forward. The committee members then came back together and reported out on their discussions. This feedback is helpful to the Cal Cities staff in advocating for Brown Act Modernization.

XII. Legislative and Budget Update

Mr. Pina gave a brief legislative and budget update. At this time in the legislative session there are not many bills introduced. It is anticipated that there will be a much more significant legislative update at the March meeting.

XIII. Adjourn

Chair Cox thanked the committee for their hard work this year and said closing remarks. Chair Cox then adjourned the meeting.