



**Date:** May 19, 2008

**To:** State Legislation Committee

**From:** *fw* Patrick H. West, City Manager *[Signature]*

**Subject:** **State Legislative Update**

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This memo provides a detailed update on the major issues the City and our State Legislative advocates, Michael J. Arnold and Associates, have been working on so far this year.

### **FY 08 Budget**

Governor Schwarzenegger released his proposed budget for FY 2008-2009 in early January and projected a \$14.5 billion deficit. The Legislature worked to address this issue in the FY 2007-2008 state budget, mainly through cuts to services, including approximately \$500 million to education and \$550 million in reduced reimbursement rates to Medi-Cal providers. This action reduced the deficit from \$14.5 billion to about \$7.4 billion. Since that time, however, estimates of the budget deficit have steadily increased, and could now reach as high as \$20 billion.

The Governor's proposed budget would impose strict spending cuts in the current and future budget years and does not raise taxes. However, it would result in the following impacts to local programs:

- 10 percent reduction in COPS (Citizen's Option for Public Safety) per-capita grants (\$95,000)
- 10 percent reduction in the Booking Fee Reimbursement program (\$6,000)
- 10 percent reduction in funds allocated toward the Public Library Foundation (\$29,000)
- Reductions in funding for AIDS programs (\$198,378)
- Reductions in funding for Maternal and Child Health programs (\$220,112)
- Reductions in funding for the Substance Abuse program (\$23,563)
- Reductions in the amount of Medi-Cal revenue received (\$113,550)
- Reductions in funding to local governments for the Emergency Shelter Program (while the Department of Health and Human Services does not receive direct funding from the State for this program, several Long Beach shelters do receive these funds, such as the Winter Shelter)

On May 14, the Governor released the May Revision of the State Budget, which projects a deficit of \$17.2 billion. We are currently preparing a detailed analysis of the revised budget and potential impacts to the City, and will distribute this information in a separate memo.

### **LAO's Proposed FY 08 Budget Recommendations**

In March 2008, the Legislative Analyst's Office (LAO) released its own set of recommendations for the FY 2008-2009 state budget. The LAO's proposed budget contains a variety of recommendations that could place a significant financial hardship on the City including:

- Shifting Proposition 172 funding from cities to new special county funds to realign parole programs from the State to counties (\$4.8 million)
- Eliminating the COPS program (\$950,000)
- Eliminating reimbursement funding for City costs of county jail booking fees (\$60,000)
- Eliminating all newly designated Enterprise Zones (including Long Beach's 2007 provisionally-awarded Enterprise Zone)

The City adamantly opposes the elimination of the Enterprise Zones program and the LAO's public safety reduction proposals. These concerns regarding the cuts to local programs, as well as the City's staunch support for the continuation of the Enterprise Zones program, were relayed in two separate letters sent to the Chairs of the budget subcommittees in the Senate and the Assembly, as well as to our State delegation. Our State Legislative advocates will continue to monitor the situation closely and are communicating the City's constant and vigorous opposition to these proposals.

### **Sex Offenders**

While several sex offender bills were introduced at the beginning of the year, only one has successfully made it out of committee—AB 2593 (Adams). AB 2593 will further provide cities and counties with the ability to adopt local ordinances to include residential facilities that serve six or fewer persons, including sober living facilities, within the definition of "single family dwelling" for the purposes of restricting where registered sex offenders are able to reside. The bill was later amended to include that a "single family dwelling" includes a single room within a hotel.

The City fully supports this bill and sent a letter expressing our support to Assemblymember Adams and our State delegation. In addition, our State Legislative advocate attended the committee hearing and spoke in support of the bill. The bill successfully passed the Assembly Public Safety Committee on April 29 with a vote of 4-2 and will next be heard before the Assembly Appropriations Committee.

### **Plant Labeling Bill**

SB 1404 (Lowenthal) is sponsored by the City of Long Beach and would require every wholesaler or distributor that sells plants in containers of 5 gallons or less, with the exception of stock that is sold directly to growers, to provide a label indicating the approximate water use of each plant for the 6 climate zones that cover the State. Outdoor water use can constitute up to 70 percent of the total household water demand for residents with outdoor landscaping. The goal of this bill is to encourage statewide conservation efforts by providing residents with easy to understand information on plant water use, so that they can appropriately plan as they purchase plants for their gardens.

In preparation for an April 15 hearing before the Senate Agriculture Committee, the City submitted an official letter in support of the bill to Senator Lowenthal, and secured a key witness to testify in support of the bill. Our State Legislative advocate provided supportive testimony on behalf of the City. As a result of these efforts, the bill passed with a vote of 3-1 and was next heard in the Senate Appropriations Committee. The bill passed out of committee and will next be heard on the Senate Floor.

### **Sober Living Homes**

No new bills have been introduced in the Legislature this year to address the issue of sober living homes. AB 724 (Benoit) and SB 992 (Wiggins), introduced in February 2007, are the only remaining bills from 2007 related to sober living homes and adult recovery maintenance facilities that are still active in the current legislative session. AB 724 would create a definition of a “sober living home” in order to clarify a local government’s authority to regulate the use and occupancy of a single-family residency location in a single-family residential zone that is not a sober living home or other licensed facility. SB 992 would create a definition of an “Adult Recovery Maintenance Facility”, as well as require that they be licensed by and subject to the oversight of the State Department of Alcohol and Drug Programs.

The City supports both bills and submitted official letters of support to Assemblymember Benoit and Senator Wiggins in June 2007. AB 724 failed to pass out of the Senate Health Committee, but was granted reconsideration. SB 992 failed to pass out of the Assembly Appropriations Committee, but was granted reconsideration and then placed on the inactive file. No legislative activity has taken place on either bill in recent months.

### **Transportation**

Several transportation-related bills are currently moving through the Legislature, including two bills authored by Assemblymember Feuer regarding funding and fees for the Los Angeles County Metropolitan Transportation Authority (Metro), as well as a bill authored by Senate Pro Tem Elect Steinberg regarding transportation planning.

AB 2321 (Feuer) would amend existing law to allow Metro to impose a transactions and use tax at 0.5 percent for a maximum of 30 years (the current maximum is 6 ½ years) to fund specified projects and programs in its Long Range Transportation Plan. The tax can only be imposed by the approval of two-thirds of the voters in Los Angeles County. We are currently monitoring this bill carefully, since the list of projects specified under both the Capital Projects and Capital Programs sections of the bill are primarily located within the City of Los Angeles, and not spread throughout the entire county.

AB 2558 (Feuer) would authorize Metro to impose a Climate Change Mitigation and Adaptation fee in Los Angeles County to address the impacts of climate change by funding public transit and congestion management projects and programs. Metro would have two options for imposing the fee, either a motor vehicle fuel tax or a vehicle fee. If the vehicle fee option is selected, low-income residents who qualify for income assistance would be eligible for a fee exemption. We are actively monitoring this bill as it moves through the legislative process.

SB 375 (Steinberg) proposes a new “preferred growth scenario” which undermines local land use decisions and restricts transportation funding. This bill favors regional land use and transportation policy over municipal control and would allow local land use decisions regarding transit-oriented development to be determined by the regional planning agency (in our case, SCAG) as part of their adopted regional transportation plan. The City has officially gone on record with our opposition to this bill, but is supporting the League of California Cities’ efforts to analyze the latest amendments and negotiate a compromise with Senator Steinberg.

### **Banning Smoking in State Parks and Beaches**

In an effort to protect public health, Senator Oropeza introduced a bill into the Legislature this year that would ban smoking at all state parks and beaches, and make violation of this law punishable by a \$250 fine. The City supports SB 1418, as it will not only serve to raise public awareness about the dangers of smoking, but also increase compliance with our own ordinance, which bans smoking at the City's beaches.

### **Los Angeles River**

On April 15, City staff traveled to Sacramento to testify at a hearing before the State Water Resources Control Board. The Board passed a resolution amending the Water Quality Control Plan for the Los Angeles Region to incorporate a Total Maximum Daily Load (TMDL) for trash in the Los Angeles River Watershed. TMDL is a calculation of the maximum amount of a pollutant that a waterbody can receive and still meet water quality standards, and an allocation of that amount to the pollutant's sources. This resolution will allow the region to move toward implementing a TMDL and addressing trash issues that significantly impact the City's beaches and water quality.

Long Beach's position of support differs somewhat from many of our neighboring cities, who have sued, thereby delaying the implementation of TMDLs. While Long Beach agrees that technical problems and financial concerns must be addressed and resolved when implementing a TMDL, we strongly believe that all parties must act now to address trash issues that so significantly impact Long Beach.

In addition to supporting this regulatory effort, the City is also supporting AB 564 (Brownley), which would authorize the Los Angeles County Flood Control District to impose a property-related fee or charge, in compliance with Article XIII D of the California Constitution, to pay the costs and expenses of the District and to carry out the purposes of the district. These fees, upon voter approval, would provide the District with the stable and long-term revenue stream needed for the construction and maintenance of watershed management projects.

### **Airport Issues**

SB 1577 (Florez) would require an airport, upon the request of a qualified nonprofit organization, to allow passengers to deposit for donation unopened toiletry items that would otherwise be confiscated, and to store those items to be collected by the organization. The logistical difficulties presented by the proposed legislation render it infeasible for space-constrained airport facilities such as Long Beach. Allocating space for collecting, sorting and holding toiletry items for pick-up would be extremely difficult, as well as unadvisable since important security functions still have unmet space needs. Other airports shared similar concerns about this bill, as well as concerns about program cost and liability.

These issues led to the amendment of the bill to require the organization to indemnify the airport from any loss, damage, injury, or liability. The organization would also be required to report annually to the airport and the Legislature the number of usable items that were collected and their estimated market value. If the estimated market value of the items donated is less than the costs to the airport to operate the program, the airport may terminate the program. The included amendments address most of staff's concerns regarding this bill, however, we will continue to monitor it carefully.

### **Volunteer Bills**

Existing state law exempts volunteers from the requirement that prevailing wages be paid to all workers on public works projects. This exemption allows cities and other entities to use the volunteer labor of civic and conservation groups on projects such as parks, playgrounds and environmental projects. In Long Beach, volunteers have been used to construct two playgrounds, as well as Rotary Centennial Park. The current exemption for volunteers expires January 1, 2009, unless the sunset clause is extended or eliminated.

SB 1345 (Ashburn), which would have removed the sunset entirely, failed to pass the Senate Labor and Industrial Relations Committee. AB 2537 (Furutani), which was re-referred to the Committee on Appropriations on April 23, would extend the exemption until January 1, 2012. The City is in support of AB 2537 and has sent a letter expressing our support to Assemblymember Furutani.

### **Container Fees**

In February 2007, Senator Alan Lowenthal introduced SB 974, a revised version of his container fee bill first introduced in 2005. SB 974 would impose a \$30-per-container fee on cargo processed through the Ports of Long Beach, Los Angeles, and Oakland. The fees must be assessed beginning January 1, 2009 and would be applied to congestion management and air quality improvements. The bill would also authorize the ports to issue revenue bonds to finance port congestion relief and mitigation projects.

Additionally, the amended bill establishes the Southern California Goods Movement Authority for the sole purpose of establishing a priority list of projects. The authority would be composed of members of the City of Long Beach, the Port of Long Beach, the City of Los Angeles, the Port of Los Angeles, the Los Angeles County Metropolitan Transportation Authority, the Orange County Transportation Authority, the Riverside County Transportation Commission, the San Bernardino Associated Governments and the Alameda Corridor East Construction Authority. Each member would have one vote for purposes of establishing a priority project list.

SB 974 could potentially generate more than \$525 million dollars annually. The Council voted unanimously to approve a resolution in support of this bill on March 20, 2007. SB 974 was last amended in September 2007 and no official action has occurred on SB 974 since that time. Our legislative advocate continues to voice the City's strong support for this bill in Sacramento.

### **Vehicle Towing for Prostitution**

AB 1724 (Jones) would authorize a city or county to adopt an ordinance declaring a motor vehicle to be a public nuisance subject to seizure and forfeiture when the motor vehicle is used in the commission of an act violating a city or county ordinance intended to protect public health and safety, such as soliciting prostitution or acquiring a controlled substance. The bill is currently in the Senate Committee on Public Safety and was amended on April 9. The City is carefully monitoring this bill, and the Police Department and City Prosecutor's office are reviewing the specific language.

### **Plastic Bags**

Several plastic bag-related bills have been introduced in an effort to clarify AB 2449, which established a statewide plastic bag-recycling program that went into effect on July 1, 2007. The City is closely monitoring these bills, but has not taken an official position on any of them.

AB 2058 (Levine) would prohibit a store from providing plastic bags to customers unless the store demonstrates an increased recycling rate during a specified period. Alternatively, a store may sell plastic bags at a specified cost instead of demonstrating increased recycling. A store that is not in compliance with recycling requirements would be required to sell bags to customers for not less than \$0.25 per bag. Stores would also have to demonstrate that revenue collected, excluding the cost of the bags and a reasonable financial return, is used to fund recycling and litter reduction programs in local communities. While these funds would benefit communities, they would not go directly to cities and counties. The bill, if enacted, would take effect on July 1, 2011. AB 2058 was passed from committee and re-referred to the Committee on Appropriations on April 15. The bill was subsequently amended to include a requirement that, as of July 1, 2011, stores provide paper carryout bags to customers only if the store charges a fee of \$0.25 per bag, with the funds collected going toward recycling and litter reduction programs in local communities.

AB 2829 (Davis) would also modify AB 2449 by permitting a statewide plastic bag impact fee of \$0.25 per bag and establishing a state plastic bag impact fund, from which local governments could apply for revenue to fund anti-litter and recycling efforts. The bill would also require plastic bags to carry "environmental awareness" messages and would require stores to demonstrate a reduction in plastic bag usage and an increase in recycling during a specified period. This bill would also remove the prohibition on a city or county from imposing a plastic carryout bag fee upon a store. AB 2829 failed passage in the Committee on Natural Resources on April 14, but was granted reconsideration.

AB 2071 (Karnette) focuses on enforcement by authorizing civil penalties to be collected for selling plastic bags which are misleadingly labeled "degradable," "biodegradable" or "compostable." This bill was passed from committee on April 14 and referred to the Assembly Appropriations Committee.

### **Mortgage Issues**

We are currently monitoring several bills in the Legislature addressing the mortgage crisis and foreclosures. SB 1137 (Perata), an urgency statute, enacts several changes to the procedures that must be followed before the holder of a mortgage may issue a notice of default or notice of trustee sale. The provision most relevant to the City would require a legal owner to maintain vacant residential property purchased at a foreclosure sale, or acquired by that owner through foreclosure under a mortgage or deed of trust. The bill would authorize a city to impose fines of up to \$1,000 per day for failure to maintain that property. The bill would require cities to give notice of the violation and an opportunity to correct the violation at least 14 days prior to imposing the fines, and to allow a hearing for contesting them. It requires that fines and penalties collected must be directed toward local nuisance abatement programs.

Additionally, the bill would require a mortgagee, trustee, beneficiary, or authorized agent to wait 30 days after contact is made with the borrower, or 30 days after satisfying due diligence requirements to contact the borrower, before filing a notice of default. The bill would require contact with the borrower in order to assess the borrower's financial situation and explore options for the borrower to avoid foreclosure. The bill would require the mortgagee, trustee, beneficiary, or authorized agent to advise the borrower that he or she has the right to request a subsequent meeting within 14 days, and to provide the borrower the toll-free number made available by the United States Department of Housing and Urban Development to find a HUD-certified housing counseling agency. It also gives tenants in foreclosed properties 60 days to remove themselves from the property.

These provisions would remain in effect until January 1, 2013. This bill passed the Senate with a vote of 28-10 on April 28 and is now being reviewed by the Assembly Committee on Banking and Finance.

AB 2187 (Caballero) contains a foreclosed property maintenance provision similar to SB 1137, while also requiring lenders, at the time a Notice of Default is mailed, to provide homeowners with a foreclosure statement of rights. The foreclosure statement of rights would detail the foreclosure process, as well as the rights of the borrower regarding contracts with mortgage foreclosure consultants. This bill passed the Assembly Judiciary Committee on April 22 with a vote of 7-3 and was referred to the Assembly Appropriations Committee.

AB 2594 (Mullin) authorizes redevelopment agencies, until January 1, 2013, to expend monies in the Low and Moderate Income Housing Fund to:

- Acquire, assume, or refinance existing subprime and nontraditional mortgages in default or at risk of default, on homes owned by low or moderate income residents residing within its jurisdiction, or make loans to these homeowners.
- Acquire and then maintain, resell, or rent homes within its jurisdiction that have been foreclosed and are vacant, and sell those homes to eligible homeowners of low or moderate income.
- Provide mortgage or credit counseling services to existing or prospective homeowners that meet a specified income level within its jurisdiction.

The Assembly Committee on Housing and Community Development passed this bill, as amended, on April 30 on a vote of 6-0.

### **Green Jobs**

We are currently monitoring three bills related to the State's green economy and the increasing demand for a highly skilled and well-trained green collar workforce. AB 2477 (Price), the "California Green Jobs Act of 2008," would require the Employment Development Department to establish a statewide database for identifying and tracking new jobs and the skills needed to expand the renewable energy and energy-efficient industries, and to link research and development in the green industry to job standards and training curricula. The Employment Development Department would be required to establish green job training programs and ensure that those programs include vocational training useful to workers in the renewable energy and energy-efficient industries.

AB 3018 (Nunez), the "California Green Collar Jobs Act of 2008," would require the Secretary of the Labor and Workforce Development Agency, in consultation with representatives from various public and private groups, to establish a "Green Collar Jobs Council." This council would develop the framework, funding, strategies and programs to enact a comprehensive array of programs, strategies, and resources to address the workforce needs that accompany California's growing green economy and to establish, among other programs, green job training programs for populations facing barriers to employment.

SB 1672 (Steinberg), the "Renewable Energy, Climate Change, Career Technical Education, and Clean Technology Job Creation Bond Act of 2010", would authorize the issuance and sale of \$3 billion in general obligation bonds for the purposes of:

- Investing in renewable energy and energy efficiency and conservation.
- Developing clean technology businesses and jobs, and educational and worker training programs.
- Developing businesses, technologies, infrastructure investment, jobs, apprenticeships, and internships that will help California adapt to climate change, with special attention for actions that will benefit disadvantaged communities.

This bill would be subject to voter approval and would be placed on the ballot for the 2010 election cycle.

### **Land Use**

AB 2093 (Jones) would require to be included in the mandatory elements of the General Plan, except the noise element, consideration of policies that reduce the emission of greenhouse gases in order to help meet the goals of the California Global Warming Solutions Act of 2006. This bill was passed from committee and referred to the Assembly Appropriations Committee on April 14.

AB 2000 (Mendoza) would allow a local government in which housing units constructed exceeded its share of the regional housing need for a particular income level, to count the excess housing units toward meeting its quota for the same or higher income level in the subsequent planning period. This bill passed the Assembly Housing and Community Development Committee on April 30 on a vote of 6-0 and is headed to the Assembly floor.

A number of bills were introduced relating to the expiration of tentative subdivision maps. Because of current conditions in the real estate market, many subdivisions for which maps have been approved may not be able to be constructed before the maps expire. Although the City of Long Beach is fully built out, these laws would still apply to the subdivision of large lots or condo conversions.

AB 2520 (Walters) would extend the expiration date of any tentative map that has not expired at the time the legislation becomes effective by 24 months. AB 1777 (Houston) contains an identical provision, but is an urgency bill. SB 1185 (Lowenthal) is similar to AB 1777, but removes the requirement that the State reimburse local agencies and school districts for certain costs. We will continue to monitor the status of these bills as they move through the Legislature.



**Homeland Security, Goods Movement, and Air Quality Funding**

In February 2008, the Port of Long Beach received an \$8.36 million grant from the State Office of Homeland Security. These funds come from Proposition 1B, which was approved by voters in 2006. Of the \$20 billion available in bond funds, \$100 million will be devoted to security.

The Port plans to use these grant funds for projects that will help to protect the Port and ensure its continued operation after a disaster. The following projects will be funded by this grant:

- Security stakeholder systems will be integrated into the Port's new Joint Command and Control Center (\$2 million)
- A Disaster Recovery Center will aid in the continuity of operations for the Port's Security Division and its business functions (\$2 million)
- A public address system will be installed to alert port workers and visitors in an emergency (\$3 million)
- A radio frequency identification system is being developed to better track truck movements within the port complex (\$1 million)
- Cameras for Harbor Patrol, Police and Fire Boats (nearly \$400,000)

Regarding goods movement and air quality, the State Air Resources Board (ARB) has continued to move forward with the implementation of the Goods Movement Emission Reduction Program, which is funded by Proposition 1B. Several public workshops were conducted across the state this year (with two here in Long Beach) to gather public input on the Guidelines for Implementation, which set funding targets—by source category and trade corridor—to create an overall vision for this \$1 billion program, as well as on the distribution of grant funds available to local agencies for FY 2007-2008.

Of the \$1 billion in total bond funds available, \$550 million will be allocated to the Los Angeles/Inland Empire trade corridor. Of the \$25 million in bond funds available for early grant projects, the Los Angeles/Inland Empire corridor will receive \$13.8 million to be administered by the South Coast Air Quality Management District (SCAQMD) for use in replacing port trucks and other trucks within the corridor.

For FY 2007-2008, ARB is currently recommending that \$122 million of the \$221.6 million available for grants to local agencies, be allocated to the Los Angeles/Inland Empire corridor. These funds will be used for truck replacement programs for trucks serving the Ports of Long Beach and Los Angeles and intermodal rail yards, the replacement of additional trucks, the electrification of truck stops, and the repowering or replacement of current locomotive switchers with updated versions.

**Library Bond**

SB 1516 (Simitian) would enact the California Reading and Literacy Improvement and Public Library Construction and Renovation Bond Act of 2010, which would authorize the issuance of \$4 billion in bonds for use in financing library construction and renovation across the State. This bond would require voter approval and would be set to appear on the ballot in the 2010 statewide general election. Given the current need for the construction of new libraries, as well as the renovation and upgrading of existing library facilities both here in Long Beach, as well as across the State, the City is closely monitoring the status of this bill. However, due to the State's current budget crisis and the Legislature's recent commitment to hold all bills that have a fiscal cost greater than

\$50,000, SB 1516 has been referred to the Senate Appropriations suspense file until further notice.

**Implementation of Proposition 84**

AB 31 (De León) would enact the Statewide Park Development and Community Revitalization Act of 2007. This act would establish a local assistance program to offer \$400 million in Proposition 84 grants, on a competitive basis, to various local entities and nonprofits for the acquisition and development of urban parks and recreational areas and facilities in communities that are currently underserved by park and recreational facilities. The City fully supports this bill, as it would provide increased opportunities for the creation of new parks in “park poor” areas of the City including North Long Beach, Central Long Beach, and the Westside. This bill is currently awaiting further consideration by the Senate Rules Committee.

**Liquor Licenses**

AB 2151 (Jones) would give cities more control over the issuance of off-sale retail liquor licenses. The bill would allow the Department of Alcoholic Beverage Control (ABC) to deny an application for an off-sale retail license if the City determines the license would contribute to conditions of blight. In addition, when a redevelopment agency has acquired a property with an off-sale retail license in a redevelopment project area, the bill would allow the City Council to make a determination of public convenience or necessity regarding the transfer of the license to another business within the same project area. The bill is currently under consideration by the Assembly Committee on Appropriations.

**AQMD Air Pollution Fee Reauthorization**

SB 1646 (Padilla) would remove the January 1, 2010 sunset on the South Coast Air Quality Management District’s (SCAQMD) Clean Fuels Program. This would extend indefinitely SCAQMD’s authority to impose a \$1 annual vehicle registration fee. The funds collected will continue to be used to develop clean fuels technologies related to mobile sources of air pollution. Fee revenues totaled more than \$12 million in 2007, with additional project funding from grants and cost-sharing partnerships. The Port of Long Beach is one of SCAQMD’s major partners in developing technologies and implementing projects. This bill passed the Senate with a vote of 22-14 and is now being considered by the Assembly. The City supports this bill, and has sent a letter of support to Senator Padilla and our State delegation.

**Design-Build**

AB 642 (Wolk) would expand the use of design-build contracting authority to all cities for municipal projects. The design-bid-build method is the traditional approach to public works construction. By contrast, the design-build method allows local officials to procure both design and construction services from a single company before the development of complete plans and specifications, thereby saving significant time and money. AB 642 would allow a city to use design-build contracts for the construction of buildings or improvements directly related to the construction of a building, but would not include the construction of streets and highways, public rail transit, or water resource facilities and infrastructure. The League of California Cities, as well as several cities throughout California, supports this bill. The bill passed the Senate Committee on Local Government on May 7 with a vote of 4-1, and was referred to Senate Appropriations.

**Fire Safety Retrofitting**

SCA 19 (Kehoe) would put a Constitutional Amendment before the voters to exempt "fire safety retrofit devices" from taxation. The State Constitution currently provides an exemption for the installation of fire sprinklers, in that the installation is not considered new construction, and thus does not change the assessed valuation of the property. This bill would encourage the installation of "fire safety retrofit devices" that may be special due to special circumstances, like geographical location or building type. This could include external sprinkler systems in rural neighborhoods to assist with fire protection in the event of wildland fires. The City is monitoring this legislation, which has not yet been heard in a Committee.

**Alternates for the Metropolitan Water District of Southern California Board**

AB 885 (Calderon) was introduced in February 2007 to address the composition of the Board of Directors and the manner in which Board Members are selected and designated for the Metropolitan Water District of Southern California (MWD). The bill is currently being amended to allow the City of Long Beach and 20 other MWD member agencies to appoint an alternate representative to participate in Board meetings and vote in the absence of the primary representative.

Currently, MWD member agencies with only one representative (such as the City of Long Beach) do not have a vote when that representative is absent for any reason. However, those member agencies with multiple representatives (such as the City of Los Angeles) continue to have the full voting power of each representative, as long as at least one representative is present. The amended bill language is consistent with current government code related to other public agencies, such as the California Coastal Commission and the Local Agency Formation Commission.

The Long Beach Board of Water Commissioners is co-sponsoring this bill, along with the Central Basin Municipal Water District. The City is supportive of this bill and will work with the Long Beach Water Department to move this important piece of legislation forward.

**Updated Tracking Report**

For more information on all bills that the City is actively tracking, please visit the Government Affairs website at <http://www.longbeach.gov/citymanager/ga> and view our fully updated State legislative tracking report. If you have any questions or require additional information, please contact Tom Modica, Manager of Government Affairs, at 8-5091.

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