



Chair  
Supervisor Carole Groom

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May 31, 2019

The Honorable Holly Mitchell, Chair  
Senate Budget and Fiscal Review Committee  
State Capitol, Room 5019  
Sacramento, CA 95814

The Honorable Phil Ting, Chair  
Assembly Budget Committee  
State Capitol, Room 6026  
Sacramento, CA 95814

**RE: Urban Counties of California 2019-20 State Budget Priorities and Perspectives**

Dear Senator Mitchell and Assembly Member Ting:

On behalf of the Urban Counties of California, a coalition of 14 of the state's largest counties, we write to provide our perspectives on various elements of the 2019-20 budget items before the Budget Conference Committee.

**Housing and Homelessness – Support Governor's May Revision.** While not before the Conference Committee, UCC strongly urges support for the Governor's May Revision proposal, which provides an additional investment in the housing and homeless crisis. Specifically, the Governor's proposal includes an additional \$150 million for a total of \$650 million to local governments for homeless response, \$275 million of which would go directly to counties with allocations based on the 2019 Point-In-Time homeless count. Of additional consequence, the expansion of eligible uses of funds will help urban counties provide assistance to our homeless populations in the most effective manner possible, including rapid rehousing and rental assistance. Counties are on the front lines of addressing homelessness, as we are responsible for the myriad service needs of those experiencing homelessness, including mental health and substance use disorder treatment, job training, and other important programs and services provided by counties.

UCC also supports the inclusion of \$250 million for planning and production grants to local governments, as well as \$500 million for the Infill Infrastructure Grant Program to assist with much-needed infrastructure that should help pave the way for new housing development.

**Property Tax Backfill and Debris Removal Cost Waiver for Fire-Affected Counties (Item 9210, Issue 28, page 31) – Support Senate or Assembly Version.** A number of urban counties were impacted by the 2018 wildfires; specifically, Los Angeles, Orange, Riverside, and Ventura Counties were affected by the Holy, Hill, and Woolsey fires. These fires were devastating in their impact to their respective communities, collectively destroying more than 1600 structures, damaging nearly 400 buildings, and injuring three firefighters. While these communities continue to recover, the financial impact of these fires will be considerable. Both Assembly and Senate versions of the budget propose to backfill the counties' associated 2018-19 property tax losses.

The budget also assumes that the state will waive the local share of debris removal costs for the November 2018 wildfires. UCC greatly appreciates the considerable support fire-affected counties have received from the state in our fire recovery efforts.

**Sales and Use Tax Exemptions: Menstrual Hygiene Products and Diapers (Item 7600, Issue 21, Page 24) – Request Backfill for Local Revenue Loss.** The Governor's May Revision and the Assembly and Senate versions of the budget

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include a sales and use tax exemption for menstrual hygiene products and diapers for infants, toddlers, and children. This exemption is estimated to result in local revenue losses of \$21.5 million for 2019-20 and \$41 million for any subsequent year. While UCC acknowledges the important policy considerations associated with these exemptions, the revenue loss to counties will directly reduce funding for programs serving many of the same women and families the exemptions are designed to assist. As a result, we respectfully request that the Budget Conference Committee provide funding in the 2019-20 state budget to backfill counties for losses associated with the proposed sales and use tax exemptions for diapers and menstrual products.

**Golden State Killer Trial (Item 9210, Issue 29, Page 32) – Support Assembly Version.** The Assembly proposes a one-time appropriation of \$20 million to cover county costs associated with the prosecution and – in the case of Sacramento County – defense of Joseph DeAngelo. Dubbed the Golden State Killer, DeAngelo is alleged to have committed a dozen murders, hundreds of burglaries, numerous kidnappings, and more than 50 sexual assaults over a 12-year period from the mid-1970s through the mid-1980s. His prolific crime spree took place across a broad swath of Northern and Southern California counties, the vast majority of which are UCC member counties. After evading authorities for several decades, innovations in the use of DNA testing and techniques linked the Golden State Killer to previously unconnected crimes, which ultimately led to his arrest in 2018. Subsequently, the district attorneys from several of the involved counties consolidated the charges against Mr. DeAngelo and agreed that his trial would take place in the County of Sacramento. The Assembly’s budget proposal recognizes that the far-reaching scope and complexity of this once-in-a-generation case will demand considerable resources from the involved counties. Without state funding, the counties bearing the expense of the Golden State Killer trial would face significant and largely unanticipated cost pressures that could put other vital county services at risk.

In addition, UCC has particular concerns about another budget item that is presently not before the Conference Committee for consideration:

**In-Home Supportive Services Maintenance of Effort – Link MOE Inflation to Collective Bargaining – Oppose Senate and Assembly Versions.** Both houses adopted trailer bill language that would require a county’s MOE inflation factor to remain at 7 percent if they do not have a collective bargaining in place that pays IHSS providers an amount that exceeds the state minimum wage. For counties that have a collective bargaining agreement in place and pay above minimum wage, the 4 percent inflator proposed by the Governor would remain in place. There are significant legal, policy, and constitutional issues with the trailer bill language, which disrupts the balance of local bargaining and could punish even counties that pay a wage above state minimum wage. Although many urban counties have current collective bargaining agreements in place, UCC remains concerned about the implications of this language in our members’ future efforts to carry out our responsibilities to collectively bargain in good faith.

I greatly appreciate your consideration of UCC’s perspective with respect to these budget-related issues. Please do not hesitate to reach out if I can offer additional information.

Sincerely,



Jean Kinney Hurst  
UCC Legislative Representative

cc: Members, Budget Conference Committee  
Consultants, Senate Budget and Fiscal Review Committee  
Consultants, Assembly Budget Committee  
Keely Bosler, Director, Department of Finance

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