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For More Information: Justin Caporusso (916) 447-4806 JCaporusso@rcrcnet.org

RCRC Outlines Budget Priorities for California's Rural Counties

SACRAMENTO, CA – June 5, 2019 – The California Legislature is set to pass the 2019-20 State Budget, and the Rural County Representatives of California (RCRC) has outlined its top priorities for California's rural counties. The current budget surplus provides the Legislature and the Newsom Administration with the resources needed to address many issues of importance to RCRC member counties.

While the organization advocates across a multitude of issue areas, the following is an outline of specific priorities, in no particular order, as they relate to the adoption of the 2019-20 State Budget.

Forest Health and Organics

The Cap-and-Trade program is a key element of California's climate plan, which seeks to return to 1990 levels of greenhouse gas emissions by 2020.

RCRC is in strong support of the Senate's proposed Cap-and-Trade Expenditure Plan, specifically for allocations to forest health programs, waste diversion and recycling, and the state's Conservancies and Wildlife Habitat Conservation Board. Specifically, the Senate's Cap-and-Trade Expenditure Plan includes:

- > \$200 million to the California Department of Forestry and Fire Protection (CAL FIRE) for forest health, resilience, and wildfire prevention programs;
- ➤ \$100 million to the Wildlife Conservation Board and the state's various conservancies for continued vital restoration and preservation work in California's forests, watersheds, and wildlands; and,
- > \$75 million to the California Department of Resources Recycling and Recovery (CalRecycle) for waste diversion and recycling programs a much-needed first

step to reaching the state's ambitious organic waste recycling target that is anticipated to cost hundreds of millions of dollars annually.

Housing

The lack of affordable housing remains a focus of policy makers in 2019. The Governor's May Revision includes \$750 million in one-time funding to incentivize local governments to meet Regional Housing Needs Assessment (RHNA) planning and zoning requirements, and continues to authorize the withholding of transportation funding from jurisdictions that fail to meet certain housing goals. Specific funding allocations in the Governor's May Revision include \$250 million in planning grants for local jurisdictions to meet RHNA goals, and \$500 million for the existing Infill Infrastructure Grant program.

The Legislature has rejected provisions of the Governor's revised proposal that links transportation funding to local housing planning and production. RCRC maintains any redirection of transportation funding is non-negotiable, and advocates for local funding opportunities that take into consideration the unique challenges of planning for housing in rural communities.

Homelessness

California's homelessness issue must be addressed. RCRC, the California State Association of Counties (CSAC), and the Urban Counties of California (UCC) are united in support of the Governor's Revised Homeless Aid for Planning and Shelter Program (Program) proposal, which includes \$650 million in one-time funding for cities, counties, and Continuums of Care (CoCs) to address homelessness in their communities. While the Governor's May Revision provides \$275 million to counties through the Program, and adds increased flexibility for the use of that funding, the proposal lacks a minimum funding threshold for smaller counties. RCRC is requesting that a minimum funding allocation for rural counties be established within the Program to ensure that low-population counties receive funding sufficient to both meet eligible use requirements under the Program, and also make meaningful progress toward address homelessness in their respective communities.

Safe Drinking Water

The lack of safe drinking water in some of California's rural communities, many of which are low-income, is both a public health and social issue that deserves a solution. Governor Newsom's California Water Action Plan's Safe and Affordable Drinking Water proposal seeks to establish a fund to assist those that do not have access to safe drinking water.

The Governor's May Revision continues a commitment to enacting a comprehensive package that assures safe and affordable drinking water for all Californians. RCRC appreciates the Administration's commitment to this issue, and is advocating in support of the Safe and Affordable Drinking Water proposal. Specifically, RCRC would like the proposal to identify an ongoing funding stream to support the operation of the facilities in affected disadvantaged communities, and if a fertilizer mill fee is included, it should be accompanied by a compliance pathway for the farm community as they meet their obligation to reduce nitrates in groundwater.

Next Generation 9-1-1

California's 9-1-1 system is outdated and prone to failure, as witnessed during the Camp Fire when a number of dispatch centers were unable to receive 9-1-1 calls.

RCRC supports the proposal to maintain and improve the state's 9-1-1 system outlined in the Governor's May Revision. In addition to the one-time investment, the proposal seeks to restructure the fee mechanism used to support the system, reflecting modern technological advancements and consumer phone usage.

In-Home Supportive Services Maintenance of Effort

The In-Home Supportive Services (IHSS) program provides critical services to seniors and disabled individuals to help them remain in their own homes rather than in more expensive institutional care. RCRC, CSAC, and UCC are united in strong support of the Governor's proposal to revise the county IHSS Maintenance of Effort (MOE), which will create a more sustainable structure for counties to manage IHSS costs and continue to deliver vital services on behalf of the state.

While in support of the proposed revision, all three organizations remain opposed to trailer bill language that seeks to link an aspect of the proposal with collective bargaining. RCRC, CSAC, and UCC continue to advocate in support of the IHSS MOE proposal, absent the language to link collective bargaining.

Williamson Act

The Williamson Act, also known as the California Land Conservation Act of 1965, authorizes cities and counties to enter into agricultural land preservation contracts with landowners who agree to restrict the use of their land for a minimum of 10 years in exchange for lower assessed valuations for property tax purposes. The Williamson Act has been successful and effective in protecting more than 16.5 million acres, or nearly one-third, of all privately-owned land in California.

State funds to counties to help offset the loss of property taxes have not been paid to counties since 2009. Without these payments, many counties have struggled to fully fund public services. RCRC continues to advocate for funding of payments to counties, and urges the Legislature and the Administration to recommit to the program.

State Payment in Lieu of Taxes

California Payment in Lieu of Taxes (PILT) was established in 1949 to offset adverse impacts to county property tax revenues that result when the state acquires private property for wildlife management areas. However, prior to 2017, the state had not made annual State PILT payments in more than a decade, resulting in arrearages of approximately \$8 million to 36 counties. In addition, in 2015, a change in the State Budget modified language to make funding for State PILT elective, leaving all future payments to California's 36 State PILT counties in jeopardy.

RCRC is advocating for adequate funding for State PILT, inclusion of the full arrears, and restoration of the language that protects these future payments to California counties.

The Rural Rundown, RCRC's analysis of the Governor's 2019-20 May Revision and other budget items, can be accessed <u>here</u>.

ABOUT RURAL COUNTY REPRESENTATIVES OF CALIFORNIA (RCRC)

The Rural County Representatives of California (RCRC) is a thirty-six member county strong service organization that champions policies on behalf of California's rural counties. RCRC is dedicated to representing the collective unique interests of its membership, providing legislative and regulatory representation at the State and Federal levels, and providing responsible services for its members to enhance and protect the quality of life in rural California counties. To learn more about RCRC, visit rcrcnet.org and follow @RuralCounties on Twitter, Facebook and Instagram.