

County of San Mateo



2003-2004 Legislative Session Program

San Mateo County Board of Supervisors

Rose Jacobs Gibson, District 4, President

Mark Church, District 1

Jerry Hill, District 2

Rich Gordon, District 3

Mike Nevin, District 5

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INTRODUCTION

The mission of the San Mateo County Legislative Program is to sponsor legislative proposals and to influence legislation that relates to the people, places, prosperity and partnerships of our community. The 2003-2004 Legislative Session Program reflects San Mateo County's commitment to our Shared Vision 2010.

Revised mid-session in December 2003, this version reflects changes in the County's position on various issues. These changes have been motivated in part by the County's efforts in the first half of the 2003-2004 session, the potential impacts of California's new governor, Governor Arnold Schwarzenegger and changes in the economy.

The overarching goal of the San Mateo County Legislative Program is to identify legislation that could impact San Mateo County and to attempt to influence the outcome of such legislation. In this effort, the Legislative Committee with the support of County staff will assess the impact of legislation and refine and represent the Board's positions on the range of proposals, priorities and policies found in this document. The goal of the Legislative Program also includes legislative ideas that originate from County staff and Board members. This document, the 2003-2004 Legislative Session Program, is intended to provide a basic policy framework in which San Mateo County can work toward this goal. Divided into three general categories (legislative proposals, priorities, and policies), the Program asserts some of the key issues and general positions for issues of concern to San Mateo County.

While this document attempts to cover the breadth and depth of legislative issues that may have an impact on San Mateo County, it is not comprehensive, complete or final. The Legislative Committee will review legislation as presented and make recommendations to the full Board, especially regarding legislation not addressed in this document. All legislation, about which the County takes a position, will be tracked through the legislative process. For each bill, County staff or consultants will prepare position letters for relevant legislators and committees, deliver testimony at hearings, conduct other advocacy roles, and provide regular status reports to the Legislative Committee and the Board. Some issues may require heightened advocacy. As a result, Board members may testify or meet with relevant legislators. If under time constraints, staff will utilize the approval of the 2003-2004 Legislative Session Program in lieu of an official Board position to advocate on particular legislation or issue.

COUNTY SPONSORED AND COSPONSORED LEGISLATIVE PROPOSALS

This section details legislative proposals that San Mateo County will pursue, either through sponsorship or co-sponsorship, in the upcoming session. Once approved by the Board of Supervisors, County staff and legislative consultants will work to develop the proposals, identify bill authors/sponsors and shepherd them through the legislative process. The Board of Supervisors will receive regular updates on the status of the legislative proposals and may be asked to testify before the legislature.

Due to the expected budget shortfall for the 2002-2003 and 2003-2004 Budget years, legislative proposals that have a state general fund cost will likely not meet a minimal level of viability. Legislative proposals must be revenue neutral. Those that require funds will likely not be considered by the State Legislature.

1. Subsidized Child Care Pilot Project “Clean Up”

Proposal: As clean up legislation to AB 1326 (Simitian) the San Mateo County Child Care Subsidy Pilot Project, remove the restrictions imposed by this bill on the ability of the county to adjust the family fee schedule for the purpose of making more significant access possible.

Background: AB 1326 (Simitian)—Chapter 691 (2003)—enables San Mateo County to conduct a child care subsidy pilot project. The early versions of AB 1326 provided San Mateo County flexibility to alter the family fee schedule for both families currently eligible under the existing system as well as those that would be made eligible under the pilot. In the Senate Health and Human Services Committee, Assemblymember Simitian took an amendment that limited the ability of the pilot to change the family fee schedule for families eligible under the existing eligibility criteria. Staff from the California Department of Education and the Department of Finance expressed considerable interest in piloting alternatives to the current fee schedule. Efforts to remove the relevant amendment were unsuccessful. In his signing message, the Governor requested clean-up legislation to provide flexibility, “to remove the restrictions imposed by this bill on the ability of the county to adjust the family fee schedule to raise local revenue for the purpose of making more significant access possible. This would increase the likelihood that any intended increase in reimbursement rates to providers or extension of income ceilings for continued family eligibility would be able to mitigate the higher costs and slower turnover of waiting lists that would result due to these potential local policy changes. The current fee schedule does not necessarily reflect the optimum balance of parental contributions to assist families and I believe counties should have the flexibility to determine if increases are appropriate for the families they serve.”

2. Transit Corridor Housing Project and Investment Fund

Proposal: Create a mechanism that authorizes local agencies to aggregate funds (including redevelopment funds set aside for housing) for the purpose of financing development projects along major public transit corridors.

Background: In January 2001, the City/County Association of Governments of San Mateo County (C/CAG), an association of the 20 cities and the county, approved and adopted the Countywide Transportation Plan 2010 (CTP). The goal of the CTP is to reduce traffic congestion by increasing capacity and performance of all transportation systems; increase

demand for public transit travel; and decrease demand for single-occupancy vehicle travel. The CTP include increasing the supply and density of housing and employment along public transportation corridors (a.k.a. transit oriented development). This proposal would allow participating agencies to contribute a percentage of their redevelopment housing set aside funds to construct affordable housing identified in an approved transit corridor housing development plan. The transit corridor housing development plan would be developed and approved through a consensus building process involving participating agencies.

3. eRecording Project—Electronic Recording of Land, Title and Other Documents

Proposal: Permit either through a pilot project or through an express exemption for San Mateo County, San Mateo County to receive documents, to be recorded with the County Recorders Office, in an electronic format.

Background: In July 2001, the Board of Supervisors approved the development of an electronic recording (eRecording) project with the County Recorders Office. The project was completed in early November 2002 and determined a success. Unfortunately, a September 2002 Attorney General's Opinion about electronic recording asserts that county recorders may not implement electronic recordation of documents. While County Counsel has issued an opinion in conformity to that of the Attorney General, the Assessor-County Clerk-Recorder has contacted the Recorder's Association of California to pursue legislation that would expressly permit the electronic recording of documents. Co-sponsored by the California Association of Realtors, Assembly Bill 578 (Leno) satisfies the interests of the Assessor-County Clerk-Recorder. A number of stakeholders including the California District Attorneys' Association (CDAA) and the County Recorders' Association of California have been involved with ongoing discussions about the bill. Despite efforts to maintain consensus among the interest groups involved in AB 578, differences between CDAA and the title companies have caused Assemblymember Leno to hold the bill in the Senate Judiciary Committee before the mid-session recess.

4. Automated Warrant System

Proposal: Conform the liability standards for arrests made through warrants transferred through an automated process to the County's Automated Warrant System (AWS) with that of the traditional, paper warrant process.

Background: Approximately three years ago, the Sheriff's Office began to convert to the AWS, which was developed and is maintained by Alameda County. As the AWS system develops, the process has recently included the automated posting of warrants onto AWS from warrants posted to the County Justice Information System (CJIS) by Court personnel. The current process is a manual system that requires personnel to enter into AWS warrant information received from court personnel who receive the signed warrant from a judge and enter the same data into CJIS. The current system has the potential for data entry errors, delays in data entry between the time a warrant is issued, sent to AWS data entry personnel and when it is actually entered. There is also the risk that the physical transmission of a paper-copy of a warrant could be lost. The proposal would protect any peace officer who makes an arrest based on AWS information indicating a warrant of arrest that is entered by court personnel authorized to make such entries. Current state law expressly protects any peace officer that makes an arrest based on a warrant of arrest regular upon its fact. However, County Counsel is concerned that a court could interpret "a warrant of arrest regular upon its face" to exclude a warrant issued through AWS, which could expose an arresting officer to liability. (Originally amended into the Legislative Program in February 2003).

5. General Assistance Income and Resource Eligibility for Sponsored Aliens

Proposal: Provide counties the flexibility to determine the General Assistance deeming period for sponsored aliens, as long as the period does not exceed the CalWORKs deeming period. This would enable counties to conform the deeming period of General Assistance to that of CalWORKs.

Background: When an alien is sponsored into the United States, the sponsor files an affidavit of support with the Immigration and Naturalization Service (INS) which indicates the alien has “adequate means of financial support and is not likely to become a public charge”. This agreement is indefinite unless the alien meets one of the requirements for exceptions, such as: becoming a citizen, establishing 40 qualifying quarters of employment, or becoming a victim of abuse. In contrast, current state law regarding general assistance allows for deeming of a sponsor and the sponsor’s resident spouse’s income and resources for only three years from the alien’s point of entry into the United States. In addition, the Cash Assistance Program for Immigrants (CAPI) allows for a 10 year deeming period for all applicants/and recipients who entered the US on or after August 21, 1996 when the legal sponsors have signed an affidavit of support. In most cases this would make the alien either financially and/or resource ineligible for the program for that 10 year period but eligible for GA after 3 years from the date of entry.

6. Crime Lab Construction Funding—Budget Request

Proposal: Secure funding for the construction of the San Mateo County Crime Lab through the reallocation unused funds dedicated toward the construction of crime labs throughout California

Background: At the request of San Mateo County, State Senator Byron Sher asked that an audit be conducted of unused funds dedicated toward the construction of crime labs throughout California. While a final report has not yet been issued, County staff suspects several jurisdictions that received such funding are not prepared to begin construction on their respective crime labs. As a result, funds have been appropriated toward these projects, but have not been spent. County staff are also working with Congresswoman Eshoo’s office to explore potential federal assistance.

7. Mirada Surf Acquisition Funding—Budget Request

Proposal: Secure funding for the acquisition of Mirada Surf.

Background: The Board of Supervisors dedicated \$3 million toward the acquisition of Mirada Surf. The San Mateo County Parks and Recreation Foundation with County staff assistance nears completion of the fundraising for the ocean-side (west) parcel. Sources include the Coastal Conservancy (\$1.5 million), Prop 12 (\$653,086), Land and Water Conservation Fund (\$350,000) and the Environmental Enhancement and Mitigation Program (\$250,000—pending). A shrinking amount of additional funds are needed to reach the \$6 million negotiated sale price. County staff will continue collaborations with the Foundation to secure funds for the development of the sites.

This section highlights the most important 2003-2004 Legislative Session issues that could significantly affect San Mateo County. While San Mateo County will not actively pursue legislation, in the following areas, the following priorities will receive heightened scrutiny and may warrant significant involvement on the part of County staff or Board members. The County may request amendments to legislation in these priority areas—amendments that conform to the general goals and objectives of the below priorities.

1. Protecting County Revenues and Operations

San Mateo County has had a long-standing policy relating to full funding for state-mandated and partnership programs, increased flexibility and the simple elimination of programs not properly funded by state and/or federal funds (2001-2002). The County generally supports the principle and related legislation that guarantees local governments including schools, cities, special districts and counties reliable, predictable and equitable funding. As the nation and California face ongoing economic uncertainty with a widening gap between revenues and expenses, San Mateo County supports the maintenance of current service levels to health, human services and public safety needs in San Mateo County. To that end, the County supports:

- A freeze of the property tax shift to the State through the Education Revenue Augmentation Fund (ERAF) and the eventual return of those funds to local governments. (2001-2002)
- Maintenance of the reinstated Vehicle License Fee (VLF) rates or a resumption of the VLF “backfill,” which provides funding for a variety of critical county services.

Should funding for programs not be maintained with the current budget revenue and expenditure levels, the County would support increases in alcohol and cigarette taxes.

Not mutually exclusive to increases in revenues, the County supports, in concept, the reduction in funding for various programs and activities only when the concomitant requirement to provide such programs and activities is relieved. The Board has not considered what specific programs would be acceptable for reductions in funding and expressly reserves its ability to take a position on this issue should (as) it arises during the next legislative session and any pertinent special sessions.

The County supports restoration of historic reductions in local government funding and increased flexibility in implementing and administering services. Providing local governments with greater flexibility to provide services to local communities ensures that services match local needs and greater efficiencies for limited resources. While restoration of funds seems unlikely in the current economic climate, future fiscal years may provide better opportunities.

2. TANF Reauthorization

During the 2001-2002 legislative session, the County sought amendments to the federal Temporary Assistance to Needy Families (TANF) program reauthorization. The program expired in September 30, 2002. It has been maintained through Continuing Resolutions, the last of which expires March 31, 2004. As a result, the issue of TANF reauthorization will continue. The County supports:

- Increased funding for child care. Existing Child Care Development Block Grant (CCDBG) funds do not adequately meet current needs. In San Mateo County,

- 25,000 children are eligible for subsidized child care, but only 5,000 children receive assistance funded by existing child care funds. Since child care funding consists of both federal and state funding, California has used a larger portion of state funds to supplement inadequate child care funding from the federal government. California receives approximately 22% of federal TANF funds, but only 11 % of child care funds. This amount should increase to meet the needs of California. (2002, HSA)
- Considering the current shortfall of funds needed for child care, any increase in minimum work requirements would result in an increase in child care funding to accommodate for the time parents will not be able to care for their children. (2002, HSA)
- Regional flexibility for eligible work participation activities San Mateo County supports flexibility in work participation activities. The County supports the inclusion of rehabilitative services including substance abuse treatment, mental health treatment, vocational rehabilitation services, adult basic education, and English proficiency classes as fulfilling work requirement as full-time activities for limited durations. (2002, HSA)
- Removal of the federal 85% income eligibility income standard and allow state flexibility in using eligibility formulas such as the U.S. Housing and Urban Development (HUD) income eligibility formula, which better reflects the true need of families on a regional (rather than state) level.
- Removal of the state matching fund requirement for CDBG funds, considering the current economic downturn.
- Revision of the child care : formula to be calculated through the TANF formula which is based on the proportion in state allotment for the state's share of child care funds rather than the current CCDBG formula.
- General support for "super waiver" flexibility in the use of TANF funds.

3. Mandate and Financing for Mental Health Services to Special Education Students (AB 3632 services)

On behalf of county mental health programs, the California Mental Health Directors Association (CMHDA) will likely propose legislation in January 2004 that would require the education community to resume financial and legal responsibility for assuring mental health services to special education pupils under the federal Individuals with Disabilities Education Act (IDEA). In 1985, state law relieved the education community of the responsibility and required county government to finance and bear the legal responsibility for mental health services to special education pupils under the federal IDEA. The costs for providing these services have not been adequately reimbursed by the state. In fact, audits by the State Controller's Office resulted in disallowances for the services. While the disallowances were corrected through legislation, they highlight the administrative, financial and programmatic burden of the program as it is currently managed through the SB 90 mandated services claims process. San Mateo County spends \$3.5-4 million annually on this program. Under the CMHDA proposal, county mental health services programs would contract with the respective county office of education to provide the special education plans related mental health services. However, the financial and legal responsibilities for such services would rest with the education community. Earlier, the Legislative Analysts

Office made a recommendation that state law be changed to “assign responsibility for mental health services to school districts rather than counties.”

4. Adequate Proposition 36 Funding

In November 1999, the people of California passed Proposition 36, the Substance Abuse and Crime Prevention Act (SACPA), which mandated minor drug offenders to alcohol and other drug treatment. Since implantation of SACPA, San Mateo County has had a successful program including assessing 1,300 clients and providing treatment for 710 clients. According to the findings from UCLA First Year SACPA Evaluation Report, San Mateo County’s “successes and innovations were key to sustaining the momentum of SACPA.” As the Proposition 36 pilot approaches its five-year end, the County supports additional funding to meet current and future demand and adequate service levels.

5. Disproportionate Share Hospital Funding

The Disproportionate Share Hospital (DSH) program reimburses hospitals and health programs that treat large numbers of Medi-Cal and uninsured patients. The San Mateo Medical Center is a DSH fund recipient. DSH funds originate through federal sources. California has lost \$184 million in Federal Medicaid DSH funds do to the “DSH Cliff,” a 1997 law that reduced DSH payments to safety need hospitals. Congress amended the law in 2000 to freeze the reductions until 2002 when the reductions resumed. The State now faces a \$184 million reduction unless this law is repealed. The County supports efforts to restore California’s DSH funding loss. In addition, the federal funds pass through the state, which takes an “administrative fee.” As part of the 2002-2003 Budget, the state legislature increased its annual administrative fee to \$85 million. That reduction in funding will result in approximately \$1 million in lost revenue to the Medical Center. The County opposes efforts to reduce DSH funding through various mechanisms including administrative fees. In addition, the County supports efforts to eliminate the administrative fee and restore those funds to local governments.

6. Classification of Family Support Bench Warrants

With the recent separation of the Family Support Division from the District Attorney’s Office, the question of the criminal or civil nature of bench warrants has arisen. It is unclear whether bench warrants in family support cases should be processed as civil or criminal warrants. While there may be various methods to clarify the classification of such warrants, the County supports the increased authority a criminal warrant provides.

7. Implementation of Water Bond Act Funds

With the recent passage of Proposition 50 (November 2002), the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, an examination of the implementation legislation is warranted. San Mateo County supports the inclusion of funding-eligible activities including beach and open-bluff, open-space protection.

8. Child Support Enforcement Penalties and Resource Allocation

The 2003-2004 State Budget requires counties to share 25% of the cost of federal penalties related to the delayed implementation of a statewide automated child support data system. Counties will remit approximately \$52.1 million. San Mateo County’s share will be approximately \$792,000 for the budget year. The relevant budget language becomes inoperative

at the end of the fiscal year and is repealed on January 1, 2005. However, this does not prevent subsequent legislation to extend or eliminate this sunset. Efforts to implement the statewide system anticipate a certified system by September 2006. If the project meets this goal, there will be two more years of penalties of around \$200 million. The County opposes transfers of responsibility to pay for federal child support enforcement penalties. In addition, the County supports the inclusion of performance measures into agreements to create California's automated child support data system and the "repayment" of any shared penalty costs. The County also opposes any efforts to alter the allocation formula without appropriate considerations of performance and efficient use of funds.

9. Hospital Improvement—Budget Requests

While the San Mateo Medical Center recently completed a \$125 million, ten-year long renovation and seismic safety project, additional important work is required. As part of the San Mateo Medical Center plan to expand services, a Labor-Delivery-Postpartum-Recovery unit effort has been initiated. It will be located on the empty Ground A Unit of the Nursing Wing building with a total estimated project cost of \$4,500,000. Needed health and safety renovations are needed at the recently acquired Burlingame Health Center, the largest nursing home in San Mateo County providing care to Medi-Cal recipients. The Burlingame Health Center renovations are estimated to cost \$1 million. The San Mateo Medical Center is also working to establish a Geriatric Assessment Center to ensure appropriate care for the aged—the fastest growing population in San Mateo County. The Geriatric Assessment Center improvements are expected to cost \$500,000.

10. Nurse Staffing Ratio Requirements

AB 394 (1999, Kuehl) required the California Department of Health Services (DHS) to develop nurse-to-patient ratios for nurse classifications and hospital units. In 2003, DHS completed the administrative law process and established nurse-to-patient ratio standards that must be met by January 2004. The County supports a reexamination of the nurse-to-patient ratios and urges consideration for an implementation schedule that recognizes the existing and ongoing shortage of nurses. In anticipation of these requirements and the long-term outlook for nurse supplies in San Mateo County, the County supports efforts to increase the number of qualified nurses. This includes efforts to pilot collaboration between the state, community based organizations, local businesses, the County's community colleges, the San Mateo Medical Center and other hospitals.

11. Housing Vouchers

Housing is an important component to self-sufficiency. In San Mateo County, where housing costs are well above the state and national average, housing assistance programs like Section 8 housing vouchers are critical. San Mateo County urges full funding for Section 8 vouchers currently in use. In addition, the County seeks flexibility in the program to better serve local needs. Specifically, the County seeks time-limited vouchers with relevant support services that move families toward greater self-sufficiency and independence from the voucher program. The County also seeks additional family unification vouchers to ensure rapid access to housing for family preservation. Emancipated youth have an equally pressing need for housing. Additional vouchers are needed to ensure that youth who "age out" of foster care have access to affordable housing. Over 50% of all foster care youth experience homelessness within two years of aging out of the system. The high cost of living in San Mateo County, also raises questions about

national standards for subsidized housing rental rates. Current law limits the tenant's share of rent to 30% of their income. This does not reflect the realities of high-cost areas where many families pay well in excess of 30% of their income to housing. As a result, the County seeks flexibility to allow for 40% of income for rent and utilities. This would create parity between subsidized and unsubsidized families and enable existing funds to reach more families.

12. Devil's Slide Designation as an Ongoing Emergency

The Transportation Equity Act for the 21st Century (TEA-21) authorized the Federal surface transportation programs for highways, highway safety, and transit for the 6-year period from 1998-2003. It was scheduled to expire on September 30, 2003. Unable to craft a reauthorization of TEA-21 before the expiration date, Congress passed a five-month extension on the existing authorization through February 29, 2004. .

13. Montara State Beach (McNee Ranch) Roadway Improvements

The County of San Mateo operates the countywide public safety communications system from the North Peak Communications Tower located in McNee Ranch(also called Montara Mountain), which is part of Montara State Beach. The Communications Tower provides emergency radio communications for the San Mateo County Sheriff, 21 city police and fire departments, California Department of Forestry, California Highway Patrol and the Federal Bureau of Investigation. Maintenance staff access the Communications Tower via the North Peak Access Road in McNee Ranch. Currently, direct access is impaired due to the failure of the North Peak Access Road. Fortunately, on a temporary basis, the San Francisco Public Utilities Commission has authorized access to the site through a circuitous but more reliable Crystal Springs Watershed access road. The County supports all efforts to ensure repair and restoration of the North Peak Access Road. State Senator Jackie Speier is now working closely with State Parks to ensure the North Peak Access Road repair is made a priority for funding the improvements. It is believed that funds will flow from the 2002 voter approved Proposition 40, California Clean Water, Clean Air, Safe Neighborhood Parks and Coastal Protect Act to this project.

14. Health Plan of San Mateo

The County and state are working toward one-time allocations to the Health Plan of San Mateo (HPSM). While such allocations will enable HPSM to continue operations for a fixed duration, they do not address the fundamental imbalance between cost and revenue. As a result, the County supports efforts to ensure that the reimbursement rate for managed health care services are sustainable and stable.

15. Worker's Compensation Reform

Worker's Compensation is a significant and ongoing cost for the County. While recent reforms address a number of concerns, the County supports additional reforms that make the system more efficient and fair while ensuring that employees receive adequate benefits.

LEGISLATIVE POLICIES

This section describes San Mateo County's general positions on legislative issues that are expected to appear in the next legislative session, appear regularly at the federal and state levels or are standing policies of the County. While the policies are broken down into five general categories (Administration and Finance; Human Services; Health Services and Hospitals; Public Safety and Justice; and Land Use, Housing Transportation and Environment) and a miscellaneous category, many of the policies bridge more than one category. Every effort has been made to place properly each of the policies.

Administration and Finance

The County supports:

1. Preservation of existing revenues and revenue authority, including the elimination of ERAF and maintenance of effort (MOE) requirements. The County opposes efforts to expand MOE requirements and ERAF. Maintenance of effort requirements tend to penalize more progressive counties that implement programs before the statewide program.
2. Maintenance of property tax revenues directed to local government. The County opposes efforts to direct property tax revenues away from local government.
3. Efforts to allocate funding through block grants, which allow for maximum flexibility in the use of funding within the designated program.
4. Increased funding for county infrastructure needs, should such funds be available.
5. Examination of equitable funding structures and formulas that reflect a county's responsibilities, demographics, cost of living and caseloads. The County opposes funding restructuring efforts that do not ensure adequate revenues for new responsibilities and obligations.
6. Federal funding mechanisms that allow funding to flow directly to local governments rather than through state government.
7. Efforts to create faster reimbursement processes from state and federal sources to local government.
8. Increased ability to utilize state or local matching funds to draw down additional federal funds.
9. "Revenue neutrality," that requires the transfer of adequate revenues to accompany the corresponding responsibility. Generally, the County opposes the use of local revenues to satisfy state or federally mandated activities.
10. Economic Development efforts that grow the California and local economies in an sustainable (environmental and economic) fashion.

Human Services

The County supports:

1. Preservation of the 1991 county health and human services realignment program. The County also supports a careful and cautious analysis of any efforts to alter the current system in light of California's fiscal constraints. (2001-2002, revised)

2. Increased flexibility for the administration of CalWORKs. Flexibility in the CalWORKs program should include income eligibility standards for child care.
3. Performance incentives and other rewards for cooperation and collaboration among local governments, including regional and sub-regional efforts to provide affordable and transit oriented housing. (2001-2002)
4. Preservation of children's protective services, participation and funding for foster/adoptive programs and funding for child care. (2001-2002, revised)
5. Increases in Housing Assistance Payments and Administrative Fee amounts and greater flexibility for use of Section 8 Housing Choice Voucher Program funds. The County opposes efforts to reduce funding amounts in this arena and or limitations on the flexibility of use of funds. (2002, HSA)
6. Renewal of subsidies for the Supportive Housing Program as well as the Shelter Plus Care Program. These programs fund San Mateo County's transitional and permanent supportive housing for homeless families and homeless persons with disabilities. It also is the primary funder of our homeless providers for support staff and program operations. These funds also support rental assistance for disabled homeless people. (2002, HSA)
7. Maximum flexibility to institute innovative practices in child welfare and foster care such as "wraparound" services and multi-discipline service approaches.
8. Increased funding and greater funding flexibility for foster care services, which are critical to adequately protect children in need.
9. Protection of counties from any penalties associated with child support enforcement-reporting violations associated with the state's failure to adequately implement an electronic reporting system.
10. Elimination of or reductions to federal penalties related to food stamps. California faces a \$114.3 million penalty for FY 2001 and an additional \$62.5 million for FY 2002. Given the State's dramatic improvement, the penalties serve no beneficial purpose and would damage the program and improvements.

Health Services and Hospitals

The County supports:

1. The creation and funding for a health care system that provides access to health insurance to all San Mateo County residents regardless of their ability to pay. To that end, the County ... eliminate premiums and co-payments that serve to deny access to care.
2. Improved access to health care and increased stability of the health care system through Medi-Cal. The County supports increased reimbursement rates, full funding for emergency room services and costs, expanded dental coverage, increased funding for outreach and enrollment, funding and flexibility to provide increased health care and mental health services in the County's jail system.
3. Expanding the Healthy Families program (State Children's Health Insurance Program (SCHIP)) to include families of eligible children and preserving \$750 million in federal funds to California.
4. Full funding for Emergency Medical Service program costs.
5. Legislation and budget actions that reduce the fiscal impact of the In-Home Supportive Services program on county revenues, including Realignment funds. The County

supports examinations of the In-Home Support Services program and its impact on other programs realigned to counties, particularly its impact on mental health services and efforts to secure dedicated funding for mental health programs.

Public Safety and Justice

The County supports:

1. Preservation of funding for local public safety efforts, including inmate health, juvenile probation and prevention programs, mental health and drug and alcohol programs. (2001-2002)
2. Preservation of funding and, in the future, seek additional funding for Proposition 36 implementation. Support statutory changes that improve the operational efficiency and local flexibility of (2001-2002, revised)
3. Full funding and/or equity in the trial court realignment block grant. The County also supports efforts to continue examination into trial court funding and maintenance including the transfer of trial court facilities.
4. Increased regulation of firearms.
5. Efforts to facilitate the construction and operation of juvenile correctional facilities, such as increased or reallocated funding for correctional facilities that are ready for immediate construction.
6. Increased funding for substance abuse treatment, mental health services and other diversionary services for inmates.
7. Continued review of the alignment of Chief Probation Officer selection, appointment and retention authority with funding. The County also supports cautious review of any potential separation of adult and juvenile probation activities.
8. Efforts to align law library costs, including facilities maintenance, with trial courts rather than the County.
9. Increased federal funding for State Criminal Alien Assistance Program (SCAAP).

Land Use, Housing, Transportation and Environment

The County supports:

1. Solutions to the region's housing crisis that address the needs of homeless, lower-income residents, CalWORKs participants and at-risk populations as well as the housing needs of disabled residents and the elderly.
2. Efforts to preserve affordable housing and the development of new affordable housing through activities including additional funding for local housing trust funds, development of a statewide and national housing trust funds, and efforts to increase the amount of multi-family housing in San Mateo County.
3. Smart Growth efforts and other land use decisions that facilitate appropriate mixed use developments along efficient, public transportation corridors. The County also supports an examination of current rules and standards that benefit lower density development (over higher density development), vehicular movement at the expense of pedestrian traffic and safety. While the County supports development incentives for Smart Growth related activities, the County opposes efforts to divert or restrict funding usage to specific programs.

4. Careful and cautious review of the implementation of Proposition 50 water bond funds.
5. Careful and cautious examination of state efforts to manage regional growth issues.
6. Maintenance of adequate open space/park lands through increased funding for development easements and needed restoration and rehabilitation activities.
7. Increased funding to address the growing Sudden Oak Death syndrome affecting several California coastal counties. (2002, ESA)
8. The Legislative Analysts Office recommendation to require a statewide transportation needs assessment every five years, if the assessment has no fiscal impact on County funds or revenues.
9. The Legislative Analysts Office recommendation to create high occupancy toll (HOT) lanes as a pilot program. The County also supports consideration of San Mateo County as a potential pilot project location.

Miscellaneous

The County supports:

1. The development of regulations and the implementation of Proposition 49, the After School Learning and Safety Program Act of 2002, that will benefit the County's existing system of before and after school programs.
2. Legislation that will benefit horseracing and other subsequent horse racing related activities in and around Bay Meadows.
3. Legislation that conveys to domestic partners any and all benefits and advantages enjoyed by married couples.

Joint CSAC/League/CAJPA Letter on SB 3 (4X)

DATE: November 18, 2003

TO: Senator Charles Poochigian

FROM: Steve Keil, CSAC
Amy Brown, League of California Cities
Mark Rakich, California CAJPA

RE: SB X4 3 (Poochigian): Governor's Workers' Compensation Reform Package –**SUPPORT**

The California State Association of Counties (CSAC), the League of California Cities, and the California Association of Joint Powers Agencies (CAJPA) strongly support SB X4 3 (Poochigian): Governor's Workers' Compensation Reform Package.

Collectively, our organizations represent county, city, school and special district employers with approximately 1,300,000 employees and are subject to the same significant workers' compensation costs affecting all California employers. The increase in costs for workers' compensation in recent years serves to directly decrease our ability to provide services to the public. It is estimated that the Governor's reform package will decrease workers' compensation costs by 45% and at the same time increase benefits for the most severely injured employees when costs for the workers' compensation system is brought to the national average.

Cost saving provisions of the Governor's reform package includes the following:

Indemnity costs: Mandate use of objective medical findings; outline the use of nationally recognized guidelines, like the American Medical Association guidelines, for impairment to improve consistency of awards; curb the use of permanent disability (PD) benefits by limiting awards for those who return to their previously held jobs or who are offered, but refuse to return to their job, or an equivalent paying job; bring rationality to the apportionment determination, so that a person cannot continue to receive new PD awards for the same injury; ensure that cumulative injuries are truly work related by applying the standard of "predominant cause" to those kinds of injuries and for all other specific injuries, apply a 10% standard; clearly define "permanent and stationary" so that claims cannot continue unresolved; require that medical physicians be the ones to determine permanent disability.

Medical costs: Allow for an employee to change doctors after 30 days or to pre-designate a doctor only if it is mutually agreed to by the employer; make clear that the mandate to "cure and relieve" is based on sound, proven principles of medical necessity; establish an independent medical review process; ensure that the "qualified medical examiner" (QME) process is used solely for PD determinations; improve the utilization controls created in SB 228 (Alarcon, Chapter 639 statutes of 2003) that the abuse of over-utilization of the system is truly curtailed.

Administrative costs: Amend Labor Code 5814 so that the penalty is assessed on the actual late payment rather than the entire claim-past, present and future; allow an insurer or employer the ability to self-impose a penalty upon themselves so that an unintentional violation can be quickly remedied.

Other issues: Restore the exclusive remedy and reduce the possibility for lawsuits for employers who follow the law; eliminate prisoners from being eligible for compensation; eliminate the requirement included in SB 228 for all insurers to inspect the safety program of every single business; modify the alternative dispute resolution (ADR) program provisions of SB 228 so that all industries can avail themselves of the successful model of ADR currently authorized for the construction trades.

For the above cost-saving and benefit enhancement reasons, we strongly support the Governor's workers' compensation reform proposal. If you have any questions or comments, please contact Steve Keil at telephone number 327-7500 extension 521, Amy Brown at 658-8279, and Mark Rakich at 441-5050.

cc: Members/Consultant, Senate Labor and Industrial Relations Committee