

September 15, 2023

To: Ara Mihranian, City Manager
Karina Beñales, Deputy City Manager
Shaunna Hunter, Administrative Analyst
City of Rancho Palos Verdes

From: Sharon Gonsalves
Director of Government Affairs
Renne Public Policy Group

RE: 2023 End of Session Report

At approximately 11:45pm, on the evening of September 14, 2023, the California State Legislature adjourned year one of the two-year legislative session. In the final days of the legislative session, advocates representing public entities, labor unions, private sector companies, and various trade associations worked around the clock to make final pitches to lawmakers and staff to advance client interests. All told for this first year of session, the total number of measures that were introduced came in at 3,030, with approximately 1,200 measures advancing through the Legislature for Governor Newsom's consideration. Hundreds of pending bills impacting local government touching on housing and land use, mental health, homelessness, climate, and operations advanced this year. Below is a high-level summary of some of the most intriguing storylines that played out in the final week of session.

Super-Majority Leverage: The looming threat of the California Business Roundtable's (CBRT) "Taxpayer Protection and Government Accountability Act"—which has qualified for the 2024 November ballot—provided the political cover for Democratic Leadership and the Governor to leverage its two-thirds-plus "Super Majority" in both houses to advance major ballot and bond measures which will now be considered by the voters in 2024. These include:

- [AB 531](#) (Irwin): \$6.380 billion Behavioral Health Infrastructure Bond. There were several proposed bond measures that touched on housing, climate, fire, etc. At the end of the day, those efforts were sidelined at the behest of the Newsom Administration. This bond will be considered by voters during the March 2024 statewide primary election.
- [ACA 1](#) (Aguir-Curry): Provides local governments the option to issue bonds or raise some local taxes at a 55% threshold for critical infrastructure and affordable housing projects.
- [ACA 13](#) (Ward): A late year introduction, this measure requires that any initiative measure that attempts to increase the voter approval requirement to adopt any state or local measure would also need to be approved by the same voter percentage as they are aiming to increase. This was hotly contested by CBRT as their current ballot proposal would only require a majority vote to approve but would increase all state and local tax thresholds to two-thirds. Should ACA 13 be approved by the voters, CBRT's measure will have to advance with a two-thirds vote in November of 2024.

Organized Labor Groups Prevail: The influx of new legislators brought about a revived push to advance key legislative proposals sponsored by organized labor. Measures such as [AB 1228](#) (Holden), which will raise the minimum wage for most fast-food workers to \$20 per hour in April of 2024, was advanced as an eleventh-hour agreement reached with fast food companies. Similarly, [SB 525](#) (Durazo) increases hospital worker minimum wage to \$25 per hour by 2026 after reaching a last-minute agreement with the California Hospital Association on phased increases.

Measures primarily impacting public employers all advanced in the final days of the legislative session. These include:

- [SB 799](#) (Portantino): Allows workers to receive unemployment benefits after 14 days on strike. (Applies to both public and private sector labor groups.)
- [AB 1484](#) (Zbur): Allows temporary workers to join the same bargaining unit as permanent employees. (Public Sector only. Significantly amended to clarify that contract services providers are not included.)
- [AB 504](#) (Reyes): Permits sympathy striking as a human right for public sector employees. (Public sector only, amended to exempt first responders.)
- [AB 520](#) (Santiago): Attaches joint and several liability for unpaid wages for services performed in public buildings. (Expands law already in place for private industry.)

As indicated above, public sector advocates were successful in securing amendments in many of these measures to make them workable for local agencies. Governor Newsom has not publicly indicated how he will act on these measures, although his record indicates that these will likely be signed into law.

Timing: Governor Newsom has until Saturday, October 14 to act on all pending measures. Any bill that includes an urgency clause, relates to the budget, or modifies the elections code will go into effect immediately upon the Governor's signature. All other bills will go into effect on January 1, 2024, unless stated otherwise in the legislation (for example, a delayed implementation).

Key Measures: Below is a truncated list of key measures that RPPG has been tracking that recently passed the Legislature and are on their way to the Governor's desk to be signed or vetoed. If there are any measures omitted on this list, or if you would like more information about measures listed below, please contact us and we would be happy to assist.

Housing and Land Use

[AB 309](#) (Lee) The Social Housing Act

Authorizes the Department of General Services to develop up to three social housing projects, as defined, on excess state lands. Allows an affected city/county to propose objective design review standards (except for floor area ratios, height or density), and to make findings identifying potential specific adverse impacts of the proposed project, which Department of General Services has discretion to accept.

[AB 480](#) (Ting) Surplus land

This bill would define the term “dispose” for the purpose of surplus land to mean the sale of the surplus property or a lease of any surplus property entered into on or after January 1, 2024, for a term longer than 15 years, including renewal options, as specified. The bill would provide that “dispose” does not include entering a lease for surplus land on which no development or demolition will occur, regardless of the term of the lease.

AB 894 (Friedman) Parking requirements: shared parking

The bill would require a local agency to approve a shared parking agreement if it includes, among other things, a parking analysis using peer-reviewed methodologies developed by a professional planning association, as specified. The bill would require a local agency to decide whether to approve or deny the shared parking agreement and determine how many parking spaces can be reasonably shared between uses to fulfill parking requirements if the shared parking agreement does not include this parking analysis.

AB 1033 (Ting) Accessory dwelling units: local ordinances: separate sale or conveyance

This bill would authorize a local agency to adopt a local ordinance to allow the separate conveyance of a primary dwelling unit and accessory dwelling unit or units as condominiums, as specified.

SB 4 (Wiener) Planning and zoning: housing development: higher education institutions and religious institutions

This bill would require that 100% of low-income units constructed for low-income housing tax credits, exclusive of manager units, in a housing development project eligible for approval as a use by right under these provisions be affordable to lower income households, except that 20% of the units may be for moderate-income households, and 5% of the units may be for staff of the independent institution of higher education or the religious institution that owns the land, provided that the units affordable to lower income households are offered at affordable rent.

SB 423 (Wiener) Land use: streamlined housing approvals: multifamily housing developments

The bill would extend the operation of the streamlined, ministerial approval process to January 1, 2036. The bill would provide that the streamlined, ministerial approval process does not apply to applications for developments proposed on qualified sites, defined as a site that is located within an equine or equestrian district and meets certain other requirements. This bill would modify the specified-described objective planning standards, including by revising the standard that prohibits a multifamily housing development from being subject to the streamlined, ministerial approval process if the development is located in a coastal zone to apply only if the development located in the coastal zone meets any one of specified conditions. The bill would require that a development located in a coastal zone that satisfies the specified conditions obtain a coastal development permit. This bill would require a local government to approve a coastal development permit if it determines that the development is consistent with all objective standards of the local government’s certified local coastal program, as specified. This bill would modify the objective planning standard that prohibits a development subject to the streamlined, ministerial approval process from being located in a high fire severity zone by deleting the prohibition for a development to be located within a high or very high fire hazard severity zone as indicated on maps adopted by the Department of Forestry and Fire Protection, and would instead prohibit a development from being located within the state responsibility area, as defined, unless the site has adopted specified standards.

SB 747 (Caballero) Land use: surplus land

This bill would define the term “dispose” for the purpose of surplus land to mean the sale of the surplus property or a lease of any surplus property entered into on or after January 1, 2024, for a term longer than 15 years, including renewal options, as specified.

Public Safety**AB 33 (Bains) Fentanyl Misuse and Overdose Prevention Task Force**

This bill would, subject to an appropriation, establish the Fentanyl Misuse and Overdose Prevention Task Force to undertake various duties relating to fentanyl misuse, including, among others, collecting and organizing data on the nature and extent of fentanyl misuse in California and evaluating approaches to increase public awareness of fentanyl misuse.

AB 474 (Rodriguez) State Threat Assessment Center: transnational criminal organizations

This bill would find and declare that the State Threat Assessment Center (STAC) serves as California's information-sharing clearinghouse of strategic threat analysis and situational awareness reporting for statewide leadership and the public safety community, as specified.

AB 701 (Villapudua) Controlled substances: fentanyl

This bill would add fentanyl to the substances for which additional terms or fines can be imposed and would require a defendant who violates those laws with respect to a substance containing heroin, fentanyl, or cocaine, as specified, to know of the substance's nature or character as a controlled substance to be subjected to an additional term and authorized fine.

SB 14 (Grove) Serious felonies: human trafficking

This bill would include human trafficking of a minor within the definition of a serious felony for all purposes, including for purposes of the Three Strikes Law, except as specified.

Climate and Energy**AB 50 (Wood) Public utilities: timely service: customer energization**

This bill would require the Public Utilities Commission to determine the criteria for timely service for electric customers to be energized, including, among other things, categories of timely electric service through energization, as specified.

AB 1594 (Garcia) Medium- and heavy-duty zero-emission vehicles: public agency utilities

This bill would require any state regulation that seeks to require, or otherwise compel, the procurement of medium- and heavy-duty zero-emission vehicles to authorize public agency utilities to purchase replacements for traditional utility-specialized vehicles that are at the end of life when needed to maintain reliable service and respond to major foreseeable events, including severe weather, wildfires, natural disasters, and physical attacks, as specified.

Transportation and Public Works**AB 334 (Blanca Rubio) Public contracts: conflicts of interest**

This bill would clarify that when public agencies contract with independent contractors on public projects that for their normal, historical contracting practices will not violate state conflict of interest rules. The bill would thus clarify the State's "conflict of interest" law, California Government Code Section 1090.

AB 436 (Alvarez) Vehicles

This bill would remove from the Vehicle Code the ability of a local government to ban cruising. The bill would also repeal the prohibition on operating a passenger vehicle, or commercial vehicle under 6,000 pounds, that has been lowered below a certain point.

Government Operations

AB 452 (Addis) Childhood sexual assault: statute of limitations

This bill would eliminate time limits for the commencement of actions for the recovery of damages suffered as a result of childhood sexual assault, as specified. The bill would eliminate the prohibition on certain actions proceeding on or after the plaintiff's 40th birthday unless specified conditions are met.

AB 557 (Hart) Open meetings: local agencies: teleconferences

This bill would eliminate the January 1, 2024 sunset on the provisions of the Brown Act that provided additional flexibility for local agencies looking to meet remotely during an emergency while still maintaining public access and transparency. This legislation would provide a narrow but important emergency authority that would allow local governing bodies to safely meet and take action during applicable states of emergency declared by the Governor.

AB 764 (Bryan) Local redistricting

This bill would require counties, county boards of education, cities, school districts, community college districts, and special districts, if the governing body of these local jurisdictions is elected by districts, to comply with uniform requirements related to redistricting.

AB 1637 (Irwin) Local government: internet websites and email addresses

This bill would, no later than January 1, 2029, require a local agency, as defined, that maintains an internet website for use by the public to ensure that the internet website utilizes a ".gov" or ".ca.gov" domain.

SB 537 (Becker) Open meetings: multijurisdictional, cross-county agencies: teleconferences

The bill would authorize the legislative body of a multijurisdictional, cross-county agency, as specified, to use alternate teleconferencing provisions if the eligible legislative body has adopted an authorizing resolution, as specified. The bill would also require the legislative body to provide a record of attendance of the members of the legislative body, the number of community members in attendance in the teleconference meeting, and the number of public comments on its internet website within 10 days after a teleconference meeting, as specified.

SB 706 (Caballero) Public contracts: progressive design-build: local agencies

This bill would, until January 1, 2030, provide additional authority for cities, counties, cities and counties, or special districts to use the progressive design-build process for up to 10 public works in

excess of \$5,000,000, not limited to water-related projects, excluding projects on state-owned or state-operated facilities.

SB 428 (Blakespear) Temporary restraining orders and protective orders: employee harassment

This bill would authorize any employer whose employee has suffered harassment, as defined, to seek a temporary restraining order and an injunction on behalf of the employee and other employees upon a showing of clear and convincing evidence that an employee has suffered harassment, that great or irreparable harm would result to an employee, and that the respondent's course of conduct served no legitimate purpose.

Behavioral Health

SB 43 (Eggman) Behavioral health

This bill expands the definition of "gravely disabled" under the Lanterman-Petris-Short Act to also include a condition in which a person, as a result of a severe substance use disorder, or a co-occurring mental health disorder and a severe substance use disorder, is, in addition to the basic personal needs described above, unable to provide for their personal safety or necessary medical care, as defined.

SB 326 (Eggman) The Behavioral Health Services Act

This bill would rename the Mental Health Services Act to the Behavioral Health Services Act, expand its scope to include the treatment of substance use disorders, and revise the distribution of its funds.

Water

AB 1572 (Friedman) Potable water: nonfunctional turf

This bill would make legislative findings and declarations concerning water use, including that the use of potable water to irrigate nonfunctional turf is wasteful and incompatible with state policy relating to climate change, water conservation, and reduced reliance on the Sacramento-San Joaquin Delta ecosystem.

SB 389 (Allen) State Water Resources Control Board: investigation of water right

This bill would authorize the State Water Resources Control Board to investigate and ascertain whether or not a water right is valid. The bill would authorize the board to issue an information order in furtherance of an investigation, as executed by the executive director of the board, as specified. The bill would authorize a diversion or use of water ascertained to be unauthorized to be enforced as a trespass, as specified.

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