



2020 State Legislative Wrap- Up & Consideration of the Proposed 2021 Platform

Karen Lange

Shaw Yoder Antwih Schmelzer & Lange

CALIFORNIA ASSOCIATION OF COUNTY TREASURERS & TAX COLLECTORS
OCTOBER 6-9, 2020 EDUCATION CONFERENCE
DOUBLETREE HOTEL – BURLINGAME, CA



2021 Legislative Platform

Includes 4 proposals



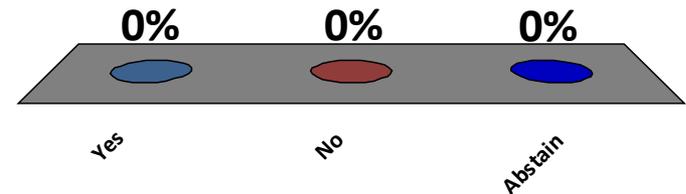
Proposal 1 – Monterey County

Prospectively authorizes a County Treasurer-Tax Collector to waive penalties and interest on late payments during a shelter-at-home order.



Yes, No, Abstain?

- A. Yes
- B. No
- C. Abstain





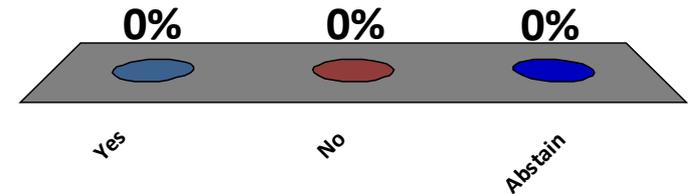
Proposal 2 – Merced County

Aligns sections of code that conflict regarding penalties if a taxpayer did not receive a tax bill due to an error by the Tax Collector, providing for consistency across multiple statutes.



Yes, No, Abstain?

- A. Yes
- B. No
- C. Abstain





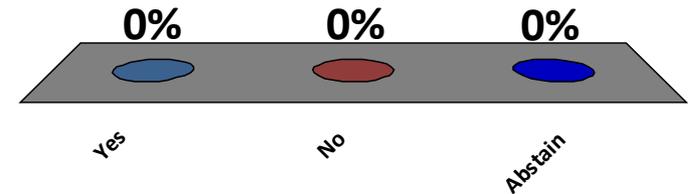
Proposal 3 – Madera County

Updates the financial reporting requirements in the statute to reflect that due to technological advances, financial reporting can be produced daily if desired; the language calls for at least monthly reporting but allows flexibility in that regard; it also removes decades-old language from the statute that establishes penalties for failure to provide the reports.



Yes, No, Abstain?

- A. Yes
- B. No
- C. Abstain





Proposal 4 – Yolo County

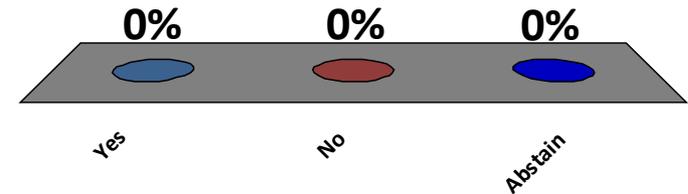
Changes to how CalPERS calculates court employees with respect to how counties can pre-pay their pension obligations only for county employees; the long-standing challenges associated with court employees not actually being employees of a county but still appearing as such in their pension reporting complicate pension obligation prepayments.

**Item 4 shall be pursued jointly with other stakeholders.*



Yes, No, Abstain?

- A. Yes
- B. No
- C. Abstain





2020 Wrap Up

In 2017 – 1189 bills were signed into law.

In 2018 – 1363 bills were signed into law. At the end of the 2 year session, 2744 bills were dead.

In 2019 – 1169 bills were signed into law.

In 2020 – 457 bills were signed into law. At the end of the 2 year session, 3561 bills were dead.

CALIFORNIA ASSOCIATION OF COUNTY TREASURERS & TAX COLLECTORS
OCTOBER 6-9, 2020 EDUCATION CONFERENCE
DOUBLETREE HOTEL – BURLINGAME, CA



Legislation of Interest



ACA 11 / Proposition 15

"Home Protection for Seniors, Severely Disabled, Families, Wildfire and Natural Disasters Act"

- ✓ STATEWIDE base year value transfers for replacement properties without regard to the replacement property's location or value;
- ✓ Allow homeowners who are over 55 years or disabled to transfer their base year value up to three times.



ACA 11 / Prop 15 – Cont'd

- ✓ limits or repeals the parent-child, grandparent-grandchild exclusion from change in ownership;
- ✓ directs the Director of Finance to determine any state-accrued revenues and savings resulting from these changes;
- ✓ allocates 75% of that amount for fire suppression staffing and 15% to reimburse eligible local agencies that incur a net revenue loss from this measure's provisions



ACA 11 / Prop 15 – Cont'd

- ✓ Transfer provisions operative in early 2021
- ✓ Provisions regarding gains and losses to counties take effect in outyears, in coordination with CDTFA



AB 310 (Santiago)

- ✓ Creates a depository bank in the I-Bank, requires the State Treasurer to deposit specified percentages of funds into the I-Bank over time and target an investment of 10% of PMIA's average daily balance to be on deposit there.

CACTTC OPPOSED – held without a vote.



AB 1525 (Jones Sawyer)

- ✓ Clarifies that no state law prohibits an entity from providing financial services, as specified, to a licensed cannabis business.
- ✓ Permits a cannabis business to authorize a state regulatory agency to share the business' track-and-trace data with financial institutions.

CACTTC: Support, signed into law.



AB 1551 (Arambula)

- ✓ Specify that the Financing Estimate Disclosure must be provided to the property owner as a printed paper copy unless the property owner opts out of receiving a printed paper copy in writing by signing a printed paper document.
- ✓ Provide that a property owner who opts out of receiving a printed paper copy of the disclosure shall be provided with an electronic copy in accordance with existing law.

CACTTC supported this; it was signed into law.



AB 1948 (Bonta)

- ✓ Would have lowered taxes on legal cannabis.
- ✓ Held without a vote in first committee

CACTTC: Support



AB 3235 (Chu)

✓ AB 3235 would require any short-term lodging, short-term rentals and online advertisements to include all mandatory fees in their advertised room or rental rate.

✓ Bill held without a vote.

CACTTC Supported.



AB 3090 (Ting)

- ✓ Would have funded a study of the use of cryptocurrency for those industries that lack access to traditional banking services.
- ✓ Bill held without a vote
- ✓ CACTTC opposed.

CALIFORNIA ASSOCIATION OF COUNTY TREASURERS & TAX COLLECTORS
OCTOBER 6-9, 2020 EDUCATION CONFERENCE
DOUBLETREE HOTEL – BURLINGAME, CA



Newsom Administration Initiatives



Economic Recovery Task Force Outreach

- ❖ Tom Steyer is co-chair.
- ❖ Wife Kat Taylor pursuing mechanism to fund landlords' ability to provide rent forgiveness for tenants unable to pay – up to one year in arrears.
- ❖ Looking at possibility of putting it on the tax bill.
- ❖ We have raised serious concerns.



- January 2020– looking at a nearly \$6b surplus in the budget year; by May, looking at \$54b deficit in the budget year, +1. Massive scale back needed to balance budget.
- Remake of DBO – AB 1864 – will become the “Department of Financial Protection and Innovation,”
- COVID / CARES / Project Homekey
- Executive Orders and Public Health Guidance.
- Wildfire Preparedness, Recovery – no final product on resources bond.



EDUCATION
CONFERENCE

Propositions

- 14 Authorizes Bonds Continuing Stem Cell Research. Initiative Statute.
- 15 Increases Funding Sources for Public Schools, Community Colleges, and Local Government Services by Changing Tax Assessment of Commercial and Industrial Property. Initiative Constitutional Amendment.
- 16 Allows Diversity as a Factor in Public Employment, Education, and Contracting Decisions. Legislative Constitutional Amendment.
- 17 Restores Right to Vote After Completion of Prison Term. Legislative Constitutional Amendment.
- 18 Amends California Constitution to Permit 17-Year-Olds to Vote in Primary and Special Elections If They Will Turn 18 by the Next General Election and Be Otherwise Eligible to Vote. Legislative Constitutional Amendment.
- 19 Changes Certain Property Tax Rules. Legislative Constitutional Amendment.
- 20 Restricts Parole for Certain Offenses Currently Considered to Be Non-Violent. Authorizes Felony Sentences for Certain Offenses Currently Treated Only as Misdemeanors. Initiative Statute.
- 21 Expands Local Governments' Authority to Enact Rent Control on Residential Property. Initiative Statute.
- 22 Exempts App-Based Transportation and Delivery Companies From Providing Employee Benefits to Certain Drivers. Initiative Statute.
- 23 Establishes State Requirements for Kidney Dialysis Clinics. Requires On-Site Medical Professional. Initiative Statute.
- 24 Amends Consumer Privacy Laws. Initiative Statute.
- 25 Referendum on Law That Replaced Money Bail With System Based on Public Safety and Flight Risk.

CALIFORNIA ASSOCIATION OF COUNTY TREASURERS & TAX COLLECTORS
OCTOBER 6-9, 2020 EDUCATION CONFERENCE
DOUBLETREE HOTEL – BURLINGAME, CA



Questions?