



# Staff Report

## City of Manhattan Beach

**TO:** Honorable Mayor Ward and Members of the City Council

**THROUGH:** Geoff Dolan, City Manager

**FROM:** Sherilyn Lombos, Deputy City Manager

**DATE:** September 5, 2006

**SUBJECT:** Consideration of the State Budget and Legislative Update

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**RECOMMENDATION:**

Staff recommends that the City Council receive and file the September Budget and Legislative Update from Tony Rice, the City's legislative advocate.

**FISCAL IMPLICATION:**

There are no fiscal implications associated with staff's recommendation.

**BACKGROUND:**

The City contracts with Tony Rice of Rice, Englander and Associates for legislative advocacy and representation. One of the deliverables of the contract with Rice, Englander and Associates is that they will provide regular updates on the state budget and legislative activity.

**DISCUSSION:**

The September 2006 Budget and Legislative Update from Tony Rice is attached which includes information about the state budget as well as bills of interest to the City.

Attachment: A. Budget and Legislative Update

To: Manhattan Beach City Council

Fm: Rice/Englander & Associates

**RE: LEGISLATIVE UPDATE**

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### **End of Session**

On Thursday, August 31, 2006, at midnight the Legislature officially adjourned legislative activity for the remainder of the year. By all accounts, this was an extremely active end of session for "shenanigans", the term capitol insiders use for last-minute special interest legislation. While last-minute end of session gambits are not unusual, this year seemed particularly pointed. The following are just a couple of bills the City was forced to become active on in the last few weeks of the session:

- **AB 1405 (Evans)** - This bill would have required a study of fire staffing needs. While seemingly innocuous, this bill would have the effect of laying the framework for minimum fire staffing levels well above and beyond what is more than adequate, and costing taxpayers a significant amount of revenue. This bill was defeated.
- **AB 3026 (Lieber)** - This bill would have made significant and costly changes to the workers' compensation system, again at the expense of taxpayers. This bill was defeated.

Among some of the "larger" issues the Legislature tackled in the final few weeks are:

- **Prison Reform** - On June 26, 2006, the Governor called for a special legislative session to deal solely with the prison crisis in California. By all measure, the prison system is facing severe problems, so much so that the federal courts have intervened and are poised to take action on their own, funded by Californians, and with no legislative oversight unless California acts quickly to handle the problems.

In early August a package of legislative proposals was placed for consideration. The Legislature met daily behind closed doors, and with the Governor's Office, in trying to find a significant response. On Wednesday, August 30, 2006, the Senate passed a scaled-down version of the Governor's original request but the Assembly failed to act prior to the deadline to adjourn.

- **Tribal Compacts** - The Governor has the sole authority to negotiate tribal compacts, however the Legislature must approve those compacts before they become law. Over the last several months the Governor completed negotiations with several tribes to allow them a greater number of slot

machines in exchange for the state receiving more revenue. The Legislature did not approve those compacts as significant opposition was levied by the labor community on the provisions.

- **AB 32 (Nunez and Pavley)** - This bill is landmark, first-in-the-nation legislation that places California in an aggressive position to take proactive steps to address greenhouse gas emissions and its effect on climate. This bill passed the Legislature and the Governor has agreed to sign this measure.
- **AB 1381 (Nunez)** - This bill allows the mayor of Los Angeles, and the relevant cities that have students within the LAUSD system, to have greater oversight on the planning and objectives of the LAUSD school board and superintendent. This bill passed the Legislature and the Governor has agreed to sign it.

### **City Priorities**

The following updates you on the priorities important to the City as transmitted by City staff:

- **AB 2015 (Lieu)** - This bill would have added one seat from the west side of Los Angeles County to the South Coast Air Quality Management District Board. This bill was unnecessarily killed by the Chair of the Senate Appropriations Committee.
- **AB 2987 (Nunez and Levine)** - This bill is authored by the Speaker of the Assembly and the Chair of the Assembly Utilities and Commerce Committee. This measure will fundamentally alter the way local governments deal with cable companies and other providers of cable and broadband service within their jurisdictions, to the municipalities' detriment. Over two hundred amendments were made to this bill in the final week of the session. All local governments are continuing to analyze the changes, but the response from all so far is that the changes make the measure a far better bill than it had been. We will continue to monitor and report on this item as more information is known. This bill passed the Legislature and is now going to the Governor for consideration.

### **Schedule**

Now that the Legislature has adjourned the second year of a two year session, all bills and items previously considered are finished. When the Legislature reconvenes in January of 2007, all legislation will be brand new.