



TAKE ACTION BRIEF

May-June 2023

Over 200 special district leaders converged in Sacramento in May to meet with State leaders on some of the biggest public policy issues facing special districts. During brunch meetings with 40 legislative offices participating, attendees discussed Brown Act remote meetings, design-build, and zero emission vehicle mandates among other advocacy priorities. The event took place the week after Governor Gavin Newsom unveiled his May Revise to the 2023-24 State Budget and attendees shared CSDA’s key budget requests.

Copies of the slide decks presented at Special Districts Legislative Days are available at legislatedays.csda.net/schedule. Be sure to save the date for next year’s event, back at the Sheraton Grand Sacramento May 21-22, 2024.

With the Governor’s May Revise in hand, the Budget Subcommittees are now in full swing as the Legislature faces a June 15 Constitutional deadline to pass a balanced budget. May 19 was the last day for the Appropriations Committees to pass bills to the floor and June 2 is the “House of Origin Deadline” when all bills must be passed out of the house in which they were introduced. Policy committees taking up bills in their second house will then have until July 14 to consider legislation prior to the Summer Recess.

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Contact a local CSDA representative near you!

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➤ Legislative Priorities: Advocated at Special Districts Legislative Days

SPECIAL DISTRICTS WEEK – SPONSOR

[Senate Concurrent Resolution 52 \(Alvarado-Gil\)](#)

Status: Senate Floor (as of 5.4.23)

Important Facts: Proclaims May 14 – 20, to be Special Districts Week. The resolution encourages Californians across the state to engage with their local communities and be actively involved with their government, particularly with special districts and the areas they serve.

OPEN MEETINGS: LOCAL AGENCIES: TELECONFERENCES – SPONSOR

[Assembly Bill 557 \(Hart\)](#)

Status: Assembly Floor (as of 5.4.23)

Important Facts: Would preserve the emergency remote meeting procedures added to the Ralph M. Brown Act by Assembly Bill 361 (R. Rivas, 2021) by eliminating a January 1, 2024, sunset on those procedures. Would change, from 30 days to 45 days, the duration of required local agency resolutions passed as part of the process. The procedures will continue to require a Governor-declared emergency.

LOCAL AGENCY DESIGN-BUILD PROJECTS: AUTHORIZATION – SUPPORT

[Assembly Bill 400 \(Rubio\)](#)

Status: Assembly Committee on Appropriations (as of 5.4.23)

Important Facts: Would extend the sunset date for local governments to use the design-build (DB) project delivery method for public works projects from January 1, 2025, until January 1, 2031. Local governments, including certain authorized special districts (wastewater facilities, solid waste management facilities, water recycling facilities, or fire protection facilities), use DB to build infrastructure projects efficiently.

PUBLIC CONTRACTS: PROGRESSIVE DESIGN-BUILD: LOCAL AGENCIES – SUPPORT

[Senate Bill 706 \(Caballero\)](#)

Status: Assembly Desk (as of 5.4.23)

Important Facts: Would expand local agency progressive design-build (PDB) authority for public works construction contracts to any type of project, not just water projects as provided for under current law.

MEDIUM- AND HEAVY-DUTY ZERO-EMISSION VEHICLES: PUBLIC AGENCY UTILITIES – SUPPORT

[Assembly Bill 1594 \(Garcia\)](#)

Status: Assembly Committee on Appropriations (as of 5.4.23)

Important Facts: Would require any state regulation on the procurement of medium- and heavy-duty zero-emission vehicles (ZEVs) by a public agency utility, such as California Air Resources Board (CARB) ZEV Advance Clean Fleet (ACF) regulation, to ensure that fleet vehicles are able to support a public agency utility's ability to maintain reliable water, sewer, and electric services, respond to disasters in an emergency capacity, and provide mutual aid assistance statewide and nationwide.



➤ FEEDBACK REQUESTED: Governor's "BUILD" Proposals

On Friday, May 19, Governor Gavin Newsom announced new permitting and project reforms, called "Build More, Preserving Jobs" or "BUILD". Please send your feedback to CSDA Legislative Representative Heidi Hannaman via email to heidih@csla.net:

- **Administrative Records Review**
Clarifies and streamlines procedures related to the preparation of the public record for the judicial review of level challenges brought under CEQA in order to reduce the litigation time.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **CEQA Judicial Streamlining**
Provides for expedited judicial review of challenges to certain water, transportation, clean energy, and semiconductor or microelectronic projects under CEQA.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Green Financing Programs for Federal Inflation Reduction Act (IRA) Funding**
Allows I-Bank and DWR to access and utilize federal funding provided in the Inflation Reduction Act, to finance projects that reduce greenhouse gas emissions.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Accelerating Environmental Mitigation**
Streamlines the implementation of environmental mitigation measures for the efficient delivery of Caltrans projects.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **National Environmental Policy Act (NEPA) Delegation Authority**
Removes the current sunset provision and permanently authorizes the consent of California to the jurisdiction of federal courts and waiver of immunity by the California Transportation Agency (CalSTA) with regards to the performance of certain federal environmental responsibilities under the National Environmental Policy Act (NEPA).
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Direct Contracting (Public Private Partnership Authority I-15 Wildlife Crossings)**
Authorizes Caltrans to directly contract to construct three wildlife crossings over Interstate 15 as part of the Brightline West high-speed rail project between California and Nevada.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Job Order Contracting**
Authorizes Caltrans to use the job order contracting method to complete routine transportation projects and maintenance work quickly and easily.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Progressive Design-Build Authority for CalTrans and DWR**
Allows the DWR and Caltrans to establish a progressive design-build pilot program until 1/1/2031.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Fully Protected Species Reclassification**
To ensure better species conservation and improved permitting for essential infrastructure projects, repeals the four existing statutes designating species as "fully protected" under California law. The bill would reclassify the 37 fully protected species.
 - [Fact Sheet](#) and [Trailer Bill Language](#)
- **Delta Reform Act Streamlining**
Makes refinements to the Delta Reform Act that will streamline certain review processes with the intent that Delta Plan projects can be planned, permitted, and built faster while protecting the environment.
 - [Fact Sheet](#) and [Trailer Bill Language](#)



➤ May Revise to Governor's Proposed 2023-24 State Budget

On Friday, May 12, Governor Gavin Newsom released the [May Revision](#) to his 2023-24 State Budget proposal. When the Governor released his proposal in January there was a projected \$22.5 billion deficit to the State Budget. The May Revision projects an additional \$9.3 billion revenue shortfall, bringing the total anticipated deficit to \$31.5 billion.

To address the funding shortfall, the Governor's administration has proposed a series of cuts, delays, and reductions to funding. While the May Revise does not contain new trigger cuts, it does maintain most of the \$3.9 billion in trigger reductions included in the Governor's January budget proposal. Among the top issues of interest to special districts:

Climate

In the May Revision, there is a continuation of a multi-year wildfire and forest resilience package worth \$2.7 billion. Additionally, the revision contains an allocation of \$290 million for a flood-related funding package that targets the reduction of flood risk and enhances flood system resilience. The Governor's Office will continue to work with the Legislature to pursue a climate bond in the upcoming months. Due to decreased revenue projections and increased budgetary pressures, the May Revision includes an extra \$1.1 billion General Fund realignment across climate resilience programs which are bond eligible. Specific funding sources transitioning to the climate bond include: \$270 million for water recycling, \$100 million for the Regional Resilience Program, \$100 million for urban greening, \$60 million towards the Sustainable Groundwater Management Act (SGMA) implementation, \$50 million for dam safety and flood management, and \$20 million for multi-benefit land repurposing.

Zero-Emission Vehicles (ZEV) Acceleration

The Governor's office has touted that recent data indicates the state has achieved putting 1.5 million Zero Emission Vehicles (ZEVs) on the road two years before the projected timeline. The Administration has committed to maintaining 89 percent or \$8.9 billion in investments to expand ZEV deployment. Some of the initiatives related to ZEV deployment have also had their funding sources replaced; \$635 million will be sourced from the Greenhouse Gas Reduction Fund (instead of the General Fund) to underwrite certain ZEV programs. The Administration's ZEV investments include a wide range of initiatives such as the improvement of short-haul trucks, school buses, and passenger vehicles. Investments will also include provisions for infrastructure development and incentives to support in-state manufacturing.

Homelessness

Despite the allocation of \$7.3 billion of funds in 2021 and \$10.2 billion designated in the 2022 Budget, the state continues to confront a surge in homelessness. To address this issue, the California Interagency Council on Homelessness (Cal ICH) has been tasked with advancing a cohesive response. The Governor has provided nearly \$3 billion to local governments through four rounds of the Homeless Housing, Assistance and Prevention (HHAP) Program, with an additional \$1 billion proposed for a fifth round of HHAP grants, and \$400 million for a third round of the Encampment Resolution Funding (ERF) Program to resolve encampments.

Property Taxes

Preliminary data suggest statewide property tax revenues increased around 7.4 percent in 2022-23, which is 1.4 percentage points higher than the 6 percent growth rate anticipated in the Governor's budget forecast. Property tax revenues are expected to grow 4.5 percent in 2023-24, which is 0.5 percentage point lower than the 5 percent growth expected in the Governor's budget. Strong growth in 2022-23 is likely due to home price increases that took place in 2021. More moderate growth is expected in 2023-24 due to higher interest rates that led to lower property transfers and price declines in 2022.



**California Special
Districts Association**
Districts Stronger Together

KEY BUDGET REQUESTS

Meeting the Needs of California's Communities



Paying Off State Mandate Debt Owed to Local Governments

Amount TBD (Approximately \$830 million as of the end of 2022)

The State of California owes local agencies millions of dollars for mandate reimbursements required under the Constitution. Reimbursement would fund compliance with the Brown Act and other important laws and ensure these statutes remain enforceable. This expenditure would relieve the State of its Constitutionally obligated debt.

CSDA Contact: Marcus Detwiler (marcusd@cda.net)



Increased Mosquito Abatement Measures to Combat Spread of Non-Native Species

\$5 million ongoing

The Mosquito and Vector Control Association of California has seen tremendous growth in the spread of non-native mosquitoes. This budget request supports increased mosquito control district activities associated with preventing the local transmission of mosquito-borne diseases such as: dengue, Zika, and chikungunya.

Primary Contact: Mosquito and Vector Control Association of California, Vanessa Cajina (VCajina@ka-pow.com)

CSDA Contact: Heidi Hannaman (heidih@cda.net)



Resource Conservation District Financial Assistance Program

\$10 million

This budget request will allow the California Department of Conservation to provide two years' worth of financial assistance to help grow the capacity of Resource Conservation Districts (RCDs). Funding will enable RCDs to expand work on fire prevention, sea-level rise, flood protection, water quality and supply, and more.

Primary Contact: California Association of Resource Conservation Districts, Nancy Wahl-Scheurich (nancy-wahlscheurich@carcd.org)

CSDA Contact: Heidi Hannaman (heidih@cda.net)



Atmospheric Rivers: Research, Mitigation, and Climate Forecasting Program (AR Program), California Department of Water Resources

\$10 million

\$10 million identified in the Governor's Proposed 2023-24 Budget will be used to continue advancing operational AR forecast tool integration with DWR water supply management, align AR Program results and products with forecast-informed reservoir operations (FIRO) to increase water management flexibility and continue innovations that improve AR, precipitation, and snow level prediction capabilities.

Primary Contact: Scripps Institution of Oceanography, Ian Clampett (iclampett@ucsd.edu)

CSDA Contact: Aaron Avery (aaron@cda.net)



Protect Existing Funding for Organic Waste Recycling

Approximately \$345,000,000

CSDA and coalition partners recently submitted a letter in support of Governor Newsom's January budget proposal to protect the \$345 million from FY 21-22 and FY 22-23 for SB 1383 Implementation Grants and the Organic Waste Infrastructure Program. This funding is critical to support local governments to comply with SB 1383's organic waste recycling requirements and to spur much-needed organic waste recycling infrastructure development.

CSDA Contact: Heidi Hannaman (heidih@cda.net)



Deny California Air Resources Board Budget Change Proposal (BCP)

CSDA and coalition partners submitted a letter asking the legislature's budget committees to deny the California Air Resources Board (CARB) budget change proposal (BCP) (3900-010-BCP-2023-GB) to support its Advanced Clean Fleets (ACF) regulations. CARB's current draft of the ACF regulations will create significant administrative burdens for local government fleet operators. The current BCP is based on a burdensome system that requires local government agencies to submit exemption requests to CARB because the vehicle technology is not available in the quantities required, at feasible prices or even available at all for public fleets to meet the proposed implementation timelines. The letter asks the legislature to deny CARB's ACF BCP request and instead require the department to develop a less administratively onerous exemption request process than what is being contemplated in the CARB BCP.

CSDA Contact: Heidi Hannaman (heidih@cda.net)

FEDERAL BUDGET REQUESTS



Precipitation Forecasting for Water Management

\$15 million

For the U.S. Weather Research Program under the National Oceanic and Atmospheric Administration's (NOAA's) Office of Oceanic and Atmospheric Research appropriations account to support a pilot project in the Western U.S. to improve subseasonal to seasonal (S2S) precipitation forecasting to improve water management.

CSDA Contact: Aaron Avery (aaron@csda.net)



Advocacy Priorities

Protecting Local Revenue



- Preserving sources and uses of local revenue for special districts, including through protecting development impact fees, ratemaking authority, and local property tax
- Preserving the ability to fund and maintain appropriate reserves
- Enhancing, not limiting, local funding tools for growing communities

Prioritizing Infrastructure and Project Delivery



- Ensuring special districts have equitable access, as compared to other service providers, to state and federal funding to support investments in communities they serve
- Maintaining infrastructure—including mitigation of damage to that infrastructure such as that arising from the statewide homelessness crisis and cybersecurity threats
- Ensuring the most beneficial projects are built in the most efficient manner, such as through permit streamlining or public works bidding and design flexibilities

Funding Climate Adaptation and Resilience



- Confronting the threats and impacts of drought, wildfire, flooding, seawater intrusion and air pollution.

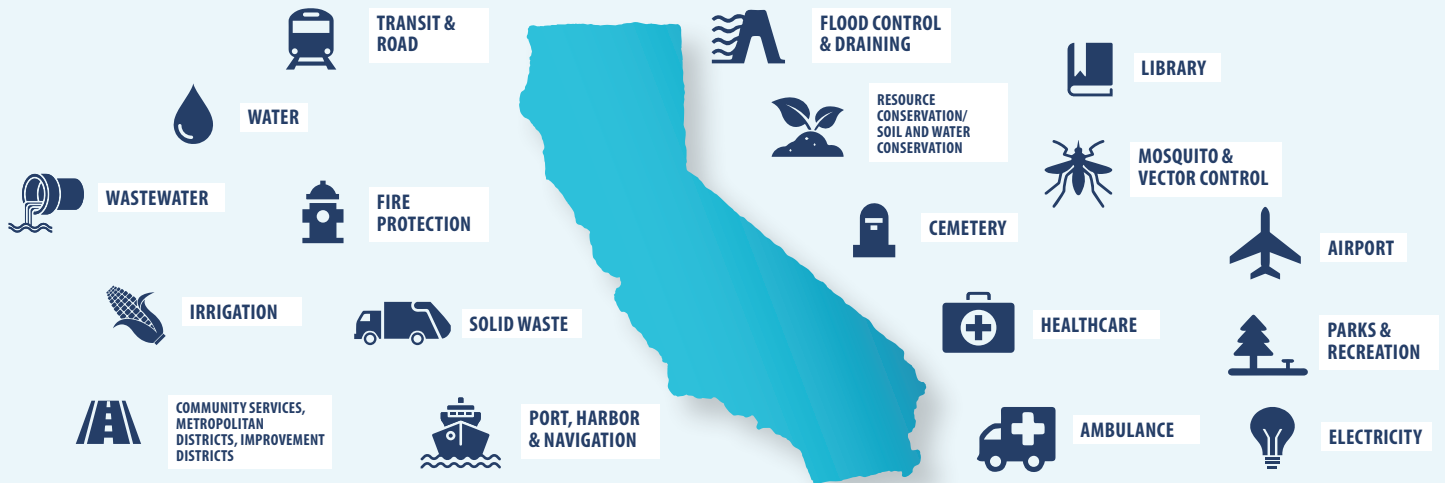


California Special Districts Association
Districts Stronger Together

WHAT ARE SPECIAL DISTRICTS?

There are just over 2,000 independent special districts in California

Special districts are local public agencies created by community residents to deliver specialized services essential to their health, safety, economy, and well-being.



Like cities and counties, special districts are public agencies; however, they **provide necessary services that many cities and counties do not.**

Districts are subject to sunshine laws and **governed by a board of directors directly accountable to their constituents.**

Special districts serve all kinds of communities from agricultural, rural, and disadvantaged—nearly 60 percent of California’s special districts serve disadvantaged communities—to incorporated cities and major metropolitan regions, **driving innovation and achieving efficiency through focused-service and economies of scale.**

Collectively, special districts serve as the backbone of California’s infrastructure and economy, **addressing California’s biggest statewide problems at the local level.**

HOW ARE SPECIAL DISTRICTS FUNDED?



SPECIAL DISTRICT SERVICES, INFRASTRUCTURE AND CAPITAL NEEDS ARE FUNDED THROUGH A VARIETY OF SOURCES.

- Revenue sources include fees for services, property taxes, special taxes, benefit assessments, impact fees, and grants.
- California law demands a strict process for voter approval of the taxes and fees that fund special districts.
- Due to strong local oversight and constitutional provisions, special districts often must find a way to do more with less than other government agencies.

WHY ARE SPECIAL DISTRICTS NECESSARY?



SPECIAL DISTRICTS ARE FORMED BY COMMUNITIES WHEN IT’S SOMETHING:

- The community needs
- The community wants done well
- The community wants done with local control

2K

Just over 2,000 independent special districts provide services and infrastructure that in some way benefits every one of California’s **40 million residents.**



Many districts **provide infrastructure services the U.S. Department of Homeland Security deems “critical”,** such as water, irrigation, wastewater and agriculture services.

SPECIAL DISTRICTS SEEK PARTNERSHIP WITH THE STATE AND FEDERAL GOVERNMENTS TO:

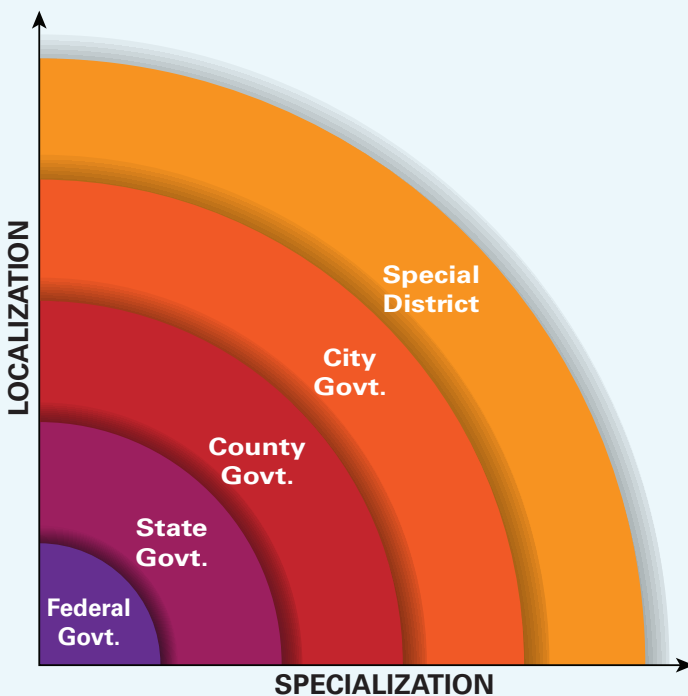
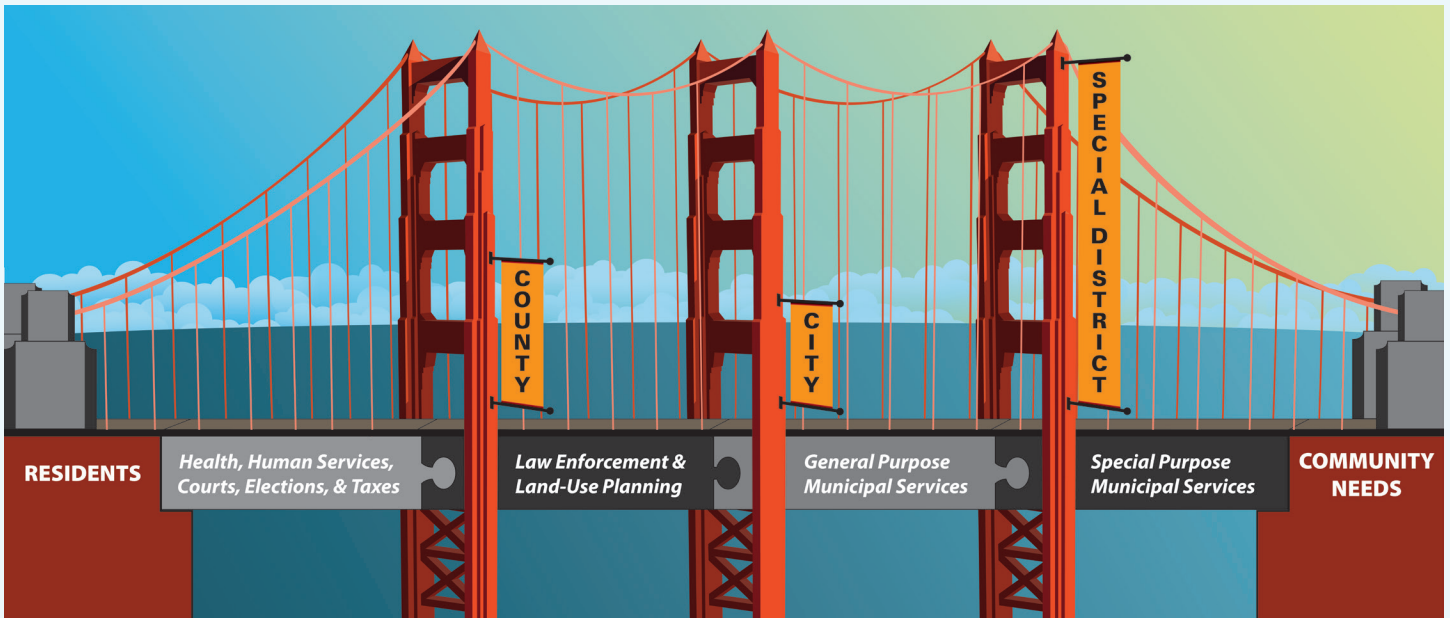
- Ensure safe and reliable services for our communities.
- Build resiliency to prepare for and overcome adversity, such as wildfires or other natural disasters.
- Grow the economy and serve more Californians through investment in local and regional infrastructure.



California Special
Districts Association

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Where Special Districts Fit in the Public Services Puzzle



California's communities are diverse in the nature and extent of public services they need. The result is a network of public service agencies, each with a purpose under state law. Within this framework, **special districts are formed, governed, and "owned" by the community.** They are created to meet the essential needs of local families and economies, and are directly accountable to the communities they serve.

Like cities and counties, special districts are subject to "sunshine laws," audits, and regulatory compliance requirements. Special districts are also the most responsive form of government because they are established, operated, and controlled by local voters, and employ highly-trained experts focused on a single mission to most efficiently and effectively meet the community's needs.

Special districts are focused on providing a "special-purpose" municipal service, like water, sanitation, fire protection, parks, mosquito abatement, cemeteries, resource conservation, ports and harbors, airports, or libraries where a city or county does not.



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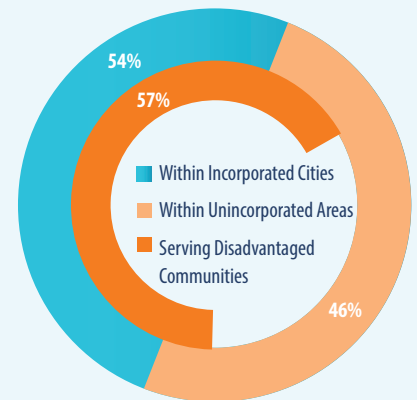
SPECIAL DISTRICTS: COMMUNITY DRIVEN AND FUTURE FOCUSED

Special Districts are Addressing California's Biggest Statewide Problems—At The Local Level

California is the world's fifth largest economy and plays an integral part in the continued prosperity of the country as a whole. The state is faced with many challenges, any one of which could be considered the biggest issues of our time. Climate change, wildfires, drought, homelessness, and mental health, all require thoughtful approaches built from the ground up, and they are all being tackled every day by the locally-focused experts of California's special districts.

Special districts, sometimes referred to as special services districts, are locally-formed and independently administered units of local government, created to oversee everything from how people get their water and power to how they enjoy their parks and open spaces. [Our state simply could not function without them.](#)

SPECIAL DISTRICTS SERVE VARIED COMMUNITIES



Special Districts Are Truly the Backbone of California's Economy

California's Special Districts provide essential services that many cities and counties do not, such as fire protection, health and wellness programs, and core infrastructure, including transit, airports, ports and harbors as well as access to reliable water, wastewater, and electricity. Across California, more than 2,000 special districts serve the needs of nearly every one of California's 40 million residents—many in disadvantaged communities—and employ more than 120,000 front-line workers.

Special Districts Operate at the Nexus of Cutting-Edge Technology and Community Engagement

Special Districts are addressing the biggest statewide problems by taking what the experts learn at the local level and turning that knowledge into future-focused, long-term solutions. Scientists, firefighters, engineers, healthcare professionals, water operators, lab technicians, environmental analysts, and many other specialists provide special district services. Their expertise allows special districts to respond to a rapidly changing world and develop and implement technologies quickly when evolving needs require new, state-of-the-art tools of the trade.

Whether responding to drought conditions with more effective water conservation and groundwater sustainability technologies, mitigating wildfire risk and recovery, addressing transportation needs with innovative strategies, or simply serving the physical, mental, and emotional health needs of diverse populations, special districts are developing world-class solutions to the everyday needs of the communities they serve.



TAKE ACTION BRIEF

➤ OTHER WAYS TO TAKE ACTION

Learn More

Share Your Knowledge with Special District Leaders!

Calling all speakers! CSDA is currently planning our 2024 Professional Development calendar and would love to consider your session as an in-person workshop, virtual workshop, or webinar. Webinars are offered at no charge to CSDA members and are typically 1 – 2 hours in length. CSDA in-person and virtual workshops are offered for a fee, take a deeper dive into comprehensive content, and are typically six hours in length over the course of two days (virtual) or one full day (in person).

Share your proposal: <https://csdaforms.wufoo.com/forms/q1bi22el1lz2sei/>

Hurry! Deadline for submissions is COB Friday, June 30, 2023. We anticipate making final selections in August. You will be notified only if your proposal is accepted. The call for 2023 CSDA Conference proposals will take place in November / December of this year, so keep an eye on your inbox!

**These session proposals must be educational in nature and not refer to a specific product or service. Preference is offered to CSDA Members. Not a member? Contact Eric Spencer at erics@csda.net to learn more.*

Join Today

Join an Expert Feedback Team to provide CSDA staff with invaluable insights on policy issues. Visit csda.net/get-involved or email updates@csda.net to inquire about joining one of the following teams:

- Environment & Disaster Preparedness
- District Operations
- Governance
- Human Resources and Personnel
- Public Works, Facilities, and State Infrastructure Investment & Partnership
- Local Revenue

Stay Informed

In addition to the many ways you can **TAKE ACTION** with CSDA's advocacy efforts, CSDA offers a variety of tools to keep you up-to-date and assist you in your district's legislative and public outreach. Make sure you're reading these resources:

- CSDA's weekly e-Newsletter
- Districts in the News
- CSDA's *California Special Districts Magazine*

Email updates@csda.net for help accessing these additional member resources.