

FOCUS

Analysis, Commentary and Updates on Legislative and Policy Issues that Affect California Cities

January 5, 2007

Issue #1-2007

GOVERNOR ESTABLISHES COMMISSION ON PUBLIC PENSIONS

Gov. Arnold Schwarzenegger signed Executive Order S-25-06 last week, establishing the Public Employee Post Employment Benefits Commission.

With the coming issues facing retiree health care obligations and pensions the Governor is attempting to work through a bipartisan effort to address massive unfunded liabilities and the state's growing pension issues. The commission will be a 12-member board that will identify the obligations that are on the table, propose recommendations to address identified problems, and examine how to curb costs in the future. *For more, see Page 3.*

.....

NEW COLLECTION OF FLOOD BILLS INTRODUCED - MORE ON THE WAY?

Flood issues once again promise to be a hot topic in the new legislative session. Last month, five legislators introduced bills that address different aspects of the flood control debate.

The following is a summary of these bills. Most are clearly spot bills, or place holders for subsequent discussions. The League anticipates that more bills will be introduced as the session unfolds. For the full text of each bill, visit www.cacities.org/billsearch. *For more, see Page 3.*

.....

2007 LEAGUE ANNUAL CONFERENCE: CALL FOR EDUCATION SESSION IDEAS

Do you have a great idea for a session or speaker for the 2007 League of California Cities Annual Conference in Sacramento? If so, we want to know about it! *For more, see Page 2.*

IN THIS ISSUE:

Page 2

ENERGY COMMISSION BEGINS REGULATORY PROCESS ON
TRANSMISSION CORRIDOR ZONE PLANNING
REPORT ON DEPARTMENT OF HOMELAND SECURITY GRANTS
RELEASED

**WANT MORE DETAILS
ON BILLS?**

Visit the League of
California Cities
website at
[www.cacities.org/
billsearch](http://www.cacities.org/billsearch).

ENERGY COMMISSION BEGINS REGULATORY PROCESS ON TRANSMISSION CORRIDOR ZONE PLANNING

The California Energy Commission (CEC) has begun a process to develop regulations that will implement SB 1059 (Escutia, Chapter 638, Statutes of 2006). The bill is intended to promote better long term planning for future electronic transmission lines by designating transmission corridor zones (transmission corridors) on state and private lands available for future high-voltage electricity transmission projects.

It is important for cities that may be affected by the designation of transmission corridors to become involved in CEC's regulatory process and review the law. More information regarding SB 1059 and CEC's implementation process is available at CEC's Transmission Corridor and Implementation website, www.energy.ca.gov/sb1059.

Cities are encouraged to sign up for e-mail updates about SB 1059, energy corridor and transmission line issues, by joining the California State Energy Commission SB 1059 listserv. The League had originally been opposed to SB 1059, but removed its opposition once the bill had been significantly amended.

You Could Have Your Own Subscription to Western City magazine. Subscribe Today!

Only *Western City* magazine brings you practical ideas and information you need to know about local government in California. *Western City* magazine presents big-picture policy issues and trends in a format suited for busy professionals, with concise feature articles and in-depth series that explore statewide issues. Stay informed about city issues across California. Subscribe today.

Visit: www.westerncity.com/pf.

REPORT ON DEPARTMENT OF HOMELAND SECURITY GRANTS RELEASED

The Congressional Research Service released a report on December 22, 2006, detailing the grants given by the U.S. Department of Homeland Security (DHS) to state and local governments.

These grants, which are allocated primarily at the discretion of DHS, are intended to enhance homeland security. In addition to summarizing seven DHS grant programs, the report also gives a state-by-state analysis of state and local spending on public safety more generally.

For a copy of the report, visit the "Issues" section of www.nlc.org. The report is under the heading of "Homeland Security & Public Safety."



ANNUAL CONF. from page 1

The League's 2007 Annual Conference Program Planning Advisory Committee will be considering session ideas for any topic area. To submit your ideas, a fully-completed proposal packet is due on or before noon on Friday, January 19. The packet is available at www.cacities.org/ac. Any individual, group, business or organization may submit a proposal suggestion.

Who are the thought leaders that understand municipal government and the issues our cities face on a daily basis? What are the vital issues our membership must learn to succeed beyond 2007? This is an exciting opportunity to share your ideas, knowledge and expertise with local government staff, elected officials and decision makers!

The 2007 annual conference will be held at the Sacramento Convention Center from September 5-8, under the theme of "Cities...Shaping California's Future."

PUBLIC PENSIONS from page 1 FLOOD BILLS from page 1

A February 2006 Legislative Analyst Report (LAO) estimated that the state's unfunded liability for retiree health care benefits and their dependents is between \$40 billion and \$70 billion. LAO is recommending that \$6 billion per year be set aside to retire the unfunded liability. Additionally, the unfunded liability for local government and school retiree health benefits is expected to be in the billions.

The League participated in a conference call with members of the Governor's staff and other public employers, which revealed the details of the commission. The Governor's staff on the call included Brenda Quintana, director of local government and community relations for the Governor's office; Susan Kennedy, chief of staff; and Cynthia Bryant, deputy chief of staff.

The commission will include six appointees from the Governor's office, three by the Speaker of the Assembly and three appointed by the Senate President Pro Tem. The Governor will select one member as chairperson. The commission will hold hearings/meetings throughout the state and deliver their conclusions/report on January 1, 2008. Once the report has been submitted, the commission will disband.

It is still unknown when the actual work will begin, but the League has expressed its desire to be a part of the process. To view the Governor's press release on the formation of the commission, visit www.gov.ca.gov and search for the release entitled "Schwarzenegger Establishes Commission Addressing Public Employee Pensions, Retiree Health Care Obligations."

For more information on this and other League issues, visit www.cacities.org.

AB 5 (Wolk). Central Valley Flood Protection. This bill is a different approach to Assemblymember Wolk's "show me the flood protection" legislation from last year.

AB 70 (Jones). Flood Liability. Subjects a city or county to joint liability, whether or not the city or county directly participates in the operation or maintenance of a flood control project, for property damage sustained in a flood by approving a new development in an undeveloped area that is protected by a levee where the flood levels are anticipated to exceed three feet for a 200-year flood.

Note: The League opposed similar legislation in 2006 and will oppose AB 70 as well.

SB 5 (Machado). Flood Management. Proposes a system to develop a comprehensive integrated flood policy and flood management program. Suggests clarification of the roles and responsibilities for state, regional and local agencies and specifies various criteria related to implementation of the flood bond adopted by the voters in 2006.

SB 6 (Oropeza). Flood Control. Requires consideration of changes in ocean levels as a result of climate change as it relates to approval of subdivision maps and designation of flood hazard zones in flood maps.

SB 17 (Florez). Flood Protection. State Reclamation Board. This legislation is similar to Sen. Florez's bill in 2006 that restructures the State Reclamation Board, including composition of the board, and role and responsibilities of the Board.

The League will review each bill and be engaged in the legislative discussions, based upon the Flood Control Principles adopted by the League last year, and modified in 2007 as needed to address new legislative topics. City officials are encouraged to review the bills and send their comments to the authors and the League.

A copy of the League's Flood Control Principles is available at www.cacities.org/eq.