

To: Orange County Sanitation District
From: Townsend Public Affairs, Inc.
Date: October 15, 2019
Subject: Legislative and Public Affairs Agenda Report

State Political Update

On October 13, the Governor considered the last of the 1,042 bills that were sent to his desk in the first year of the two-year legislative session. In total, approximately 2,600 policy bills were introduced in both the Assembly and the Senate. Any bill that did not pass the Legislature is now a two-year bill and will be eligible for consideration when the Legislature returns on January 6 for the second year of the two-year session.

Governor Newsom signed 870 bills into law in his first year in office, with a veto rate of 16.5 percent. This veto rate was very similar to Governor Brown’s last year and coincidentally his highest veto rate year of his 16 years as Governor of California.

Although there were several major policy topics addressed this year including housing, homelessness, and public safety, there are still several topics of interest to OCSD that did not make it past the finish line. These topics include plastic bag bans, flushable wipes, and video retention requirements for local agencies.

Priority Legislation – End of the Session Summary

Below is a list of all legislative positions that OCSD adopted during the first year of the legislative session. This list does not include the several other bills that OCSD staff and TPA discussed, provided comments, and worked with various author’s offices on throughout the year.

Bill	OCSD Position	OCSD Position	Bill Status
AB 292 (Quirk)	Changes the definition of potable reuse of recycled water by including raw water augmentation, treated drinking water augmentation, groundwater augmentation, or reservoir water augmentation within the definition of recycled water and deleting direct and indirect potable reuse.	Support	Two-year bill
AB 405 (Rubio)	Would exempt chemicals used by a city, county, public utility, and sanitation district to treat water, recycled water, or wastewater from sales tax	Support	Two-year bill
AB 510 (Cooley)	Would exempt a local agency from specific recording retention requirements if the agency adopts a records retention policy governing recordings of routine video monitoring and recordings of telephone and radio communications.	Support	Two-year bill

AB 1184 (Gloria)	Would require all public agencies to maintain and archive all transmitted electronic communications for two years minimum.	Oppose	Vetoed
AB 1672 (Bloom)	Would prohibit manufacturers from labeling wipes as “flushable” unless they meet objective standards	Support	Two-year bill
SB 69 (Wiener)	Provides \$130 million per year for safe drinking water projects from the Greenhouse Gas Reduction Fund.	Oppose Unless Amended	Two-year bill
SB 667 (Hueso)	This bill would direct CalRecycle to create incentives and financing mechanisms for the development of organic waste infrastructure	Support	Two-year bill

Additional Priority Legislation

SB 1 (Atkins) – California Environmental, Public Health, and Workers Defense Act of 2019

SB 1 seeks to freeze federal Clean Air Act, Clean Water Act, Safe Drinking Water Act, Endangered Species Act, Fair Labor Standards Act, Occupational Safety and Health Act and Coal Mine Health and Safety Act requirements to those in place as of January 19, 2017. SB 1 refers to federal requirements existing as of this date, as “baseline federal standards.” SB 1 is intended to “ensure continued protections for the environment, natural resources, and public health and safety” in California, even if the noted federal laws are “undermined, amended or repealed” by making the baseline environmental standards the new floor for environmental and worker protections in California. **SB 1 was passed by the Legislature and vetoed by the Governor,**

Legislative Platform Connection: Legislative and Regulatory Policies – Public Health: Protection of public health is OCSD’s core mission. OCSD will work cooperatively with county and state health officers to assure local health protection.

SB 210 (Leyva) – Heavy-Duty Vehicle Inspection and Maintenance Program

SB 210 directs the Air Resources Board (ARB) to work in coordination with multiple state agencies in order to develop and implement a Heavy-Duty Inspection and Maintenance Program for non-gasoline, heavy-duty, on-road trucks. Specifically, SB 210 would develop a pilot program to measure and enforce new regulations on heavy duty on-road trucks and then require ARB to adopt a full program within two years after the pilot program ends. **SB 210 was signed into law.**

Legislative Platform Connection: Legislative and Regulatory Policies – Air Quality: Support measures that maintain and enhance local decision-making authority, where appropriate, in the development and implementation of air quality attainment strategies

Looking Ahead to 2020

When the Legislature returns in January 2020, there will be several important and lingering issues that will need to be addressed. Based on conversations that were started this year and the general political climate in Sacramento, TPA expects the following issues to be key topics for OCSD in 2020:

- **Development Impact Fees** – One of the leading thoughts on how to best encourage additional housing development is reducing development impact fees that local agencies charge new housing developments. These fees are generally charged by local agencies to better assess and prepare for the increased effect of the developments on their operations. Although this conversation has largely revolved around cities, counties, and other land use authority agencies, TPA has been continuously involved in conversations with the relevant stakeholders to ensure that OCSD retains its right to charge new developments the appropriate connection and capacity fees to maintain its fiscal solvency. It is expected that this conversation will continue into 2020 and beyond as the Legislature looks to continue to address the State’s chronic housing problem.
- **Potential Natural Resources/Climate Change Bond** – Toward the end of the 2019 legislative session, Assembly Members Eduardo Garcia (D – Coachella) and Kevin Mullin (D – South San Francisco) amended bills to introduce Natural Resources, Climate Change, and Wildfire Bonds for the November 2020 Ballot. The funding from the approximately \$ 4 billion bond would go toward primarily for safe drinking water, clean water revolving funds, climate resiliency, and wildfire prevention. The proposed Bond still needs to be adopted by both the Assembly and the Senate and signed into law in order to be eligible for the November 2020 ballot. TPA is continuing to work with the Author’s offices to ensure that OCSD will be eligible for funding included in the Bond.
- **AB 1672 (Bloom) Flushable Wipes** – The California Association of Sanitation Agencies (CASA) sponsored AB 1672 (Bloom) in 2019 to prohibit manufacturers of single-use wipes from labeling their products as “flushable” unless they meet objective and scientific standards that are safe for wastewater systems. OCSD was a vocal supporter of this legislation, however it failed to pass out of the Assembly Appropriations Committee and is now a two-year bill. CASA is committed to this bill concept in 2020, and TPA will ensure that OCSD continues to be a leader in the wastewater industry for meaningful regulation of flushable wipes.
- **SB 332 (Hertzberg) Ocean Discharge Reduction** – Senator Hertzberg’s SB 332 would require wastewater agencies and their associated water suppliers to reduce their ocean outfall discharge volume by up to 95 percent by 2040. OCSD played a significant role in disputing the scientific and practical application of this mandate and worked with Senator Hertzberg’s office, the bill sponsors, industry groups, and local partners to ensure that more discussion surrounding this concept would occur prior to the bill moving forward. As a result, SB 332 failed to move forward and is a two-year bill. TPA will continue to work with OCSD staff and industry groups to ensure that OCSD is at the forefront of this conversation in 2020 as a statewide leader in wastewater management and recycling.