



OFFICERS

President

James Gore
Sonoma County

1st Vice President

Ed Valenzuela
Siskiyou County

2nd Vice President

Chuck Washington
Riverside County

Past President

Lisa A. Bartlett
Orange County



EXECUTIVE DIRECTOR

Graham Knaus

April 26, 2021

The Honorable Gavin Newsom
Governor, State of California
State Capitol
Sacramento, CA 95814

RE: County Budget Requests for 2021-22: Beyond Recovery and Ensuring Strong Foundations for the Future

Dear Governor Newsom,

As the state emerges from the threat of COVID-19 and economic recession, there is a unique opportunity to establish new initiatives and reinforce existing projects that will have long-lasting benefits to the individuals we all serve. Counties respectfully request significant state investments supporting the foundation for healthy, equitable, and safe communities. Investments in broadband access for all, homelessness and housing solutions, disaster recovery and resilience, public and behavioral health, sustainable local transportation investments, and county-run elections will help all Californians not just recover from the stress and pain of the last year, but to thrive in healthy communities across the state.

We respectfully request the following state investments, including:

BROADBAND ACCESS

Closing the Digital Divide is a goal that has always seemed far from reach, but a recent report found that the cost of building 100 Mbps fiber connections to every unserved home and business in the state might be done with an investment of \$6.8 billion. An additional \$1.2 billion investment would help Californians take advantage of all that broadband promises. This \$8 billion investment is the ideal use for one-time state and federal funds. It would transform the educational and economic landscape of our state, providing immediate benefits to people and businesses while significantly expanding our economy in the long-term.

Half-measures on this issue will lead to only marginal gains compared to what full investment would accomplish. Once schools, businesses, and government programs can assume broadband access, they will be able to change the way they deliver services in ways that are difficult to fully appreciate. The state will not have another opportunity like this. We urge you to act boldly to close the Digital Divide once and for all.

HOMELESSNESS AND HOUSING

Counties support additional state investments in homelessness solutions. Specifically, counties have continued to express interest in the acquisition or rehabilitation of additional motels, hotels, hostels, or other sites and assets. Proposals like your \$750 million expansion of Project Homekey recognize the important role of counties in providing housing options for unsheltered homeless individuals in our communities. It is also important to recognize and fund capitalized operating subsidies for units purchased,

converted, or altered with funds provided by Project Homekey. Given the increased flexibility and availability of state General Fund or new federal resources, compared to previously utilized Coronavirus Relief Fund, counties also seek a partnership on these programs that ensures counties are not over-committed to ongoing costs and services by accessing one-time state funds.

Counties continue to look for opportunities to improve our homelessness responses, as well as build on proven approaches and partnerships, and additional flexible homelessness response funds like the Homeless Housing, Assistance and Prevention grants would be an important tool for those efforts. Flexible funding can support the continuation or expansion of shelters and navigation centers; operations, maintenance and services for hotel/motel conversion projects; outreach to homeless individuals; and rental assistance and landlord incentive programs. These efforts are important to moving unsheltered individuals through the continuum: getting individuals off the streets and into shelter, providing services, finding transitional housing, then securing long-term supportive housing or rental housing off-ramps.

To make sustainable progress, these efforts will require billions in new, annual investments. As the state considers these critically needed ongoing investments, we also urge a robust conversation on a program that articulates clear goals to be achieved with the funding; defines roles and responsibilities between state, county, and city governments; provides commensurate funding to fulfill the responsibilities and achieve the goals; and stipulates transparent accountability measures.

DISASTER RESILIENCE AND RECOVERY

CSAC continues to support aggressive funding for wildfire prevention and support for community hardening. We are also grateful for your early action, in conjunction with the Legislature, on providing more than half a billion dollars in immediate funding to help communities prepare for fire season. In addition to that early action and your January Budget proposals, we respectfully request an additional \$200 million to further prepare for wildfires and other disasters, including:

- \$60 million to the Department of Conservation for a 3-year continuation of the Watershed Emergency Response Team (WERT). After a destructive wildfire, the danger is not over. With vegetation burned, flash floods are a serious threat as we have seen over and over. The WERT program immediately maps wildfire areas to pinpoint those that are at highest risk from catastrophic flooding. California needs the WERT program as part of its ongoing disaster preparedness programs.
- Additional \$50 million for Fire Prevention grants
- Additional \$50 million for CalFire Unit Prevention Projects and Defensible Space Inspectors
- \$10 million for University of California Cooperative Extension for ongoing planning, public education, and sector-specific programming related to wildfire reduction.
- \$10 million for additional rural-area workforce development
- \$20 million to counties for emergency and disaster planning.

Drought Emergency Funding

\$500 million for local grants for drought to include community drought planning, emergency water supply, emergency water connections, and disaster response.

Organic Waste Implementation Funding

Counties are at the forefront of addressing climate change in our communities, but our members are in need of organic waste implementation funding. We request \$500 million to support counties and local jurisdictions as they implement the organic waste greenhouse gas climate rules. These rules are expected to

cost local governments up to \$20 billion over the next 10 years. Local governments need direct financial support to meet and exceed climate targets in cooperation with CalRecycle, and this funding will allow counties to accelerate this key innovative program to combat climate change.

PUBLIC HEALTH WORKFORCE AND INFRASTRUCTURE

Sadly, our local public health departments were not equipped or staffed for a new and highly contagious infectious disease. Declining 1991 Realignment revenues, as well as sustained cuts enacted during the Great Recession, left our state vulnerable to the ravages of COVID-19. That is why CSAC is part of the “California Can’t Wait Coalition: Public Health Infrastructure and Workforce” effort to ensure \$200 million in ongoing funding to facilitate the stabilization of local health jurisdictions.

This ongoing funding would be used to recruit and retain a modern public health workforce; improve communicable disease monitoring, epidemiology, and outbreak mitigation; address health equity issues and health disparities through meaningful engagement with diverse communities who are impacted by systemic racism; and improving environmental health and environmental justice capabilities in all communities.

As part of the California Can’t Wait Coalition package, CSAC is also supporting AB 240 (Rodriguez), which requests \$3.45 million in one-time funding for a public health workforce study and comprehensive assessment of local health department capacity.

ESSENTIAL BEHAVIORAL HEALTH SERVICES

In the wake of the COVID-19 pandemic, county behavioral health departments are grappling with an increase in demand for mental health and substance use disorder services. These increases in people seeking county help coincide with rising costs for inpatient and other critical behavioral health services and alarmingly anemic revenue for the mental health base under 1991 realignment.

Counties strongly support your January Budget proposal to invest \$750 million in one-time grant funding to expand the behavioral health care continuum in the state. In light of the state’s fiscal outlook and rising real estate prices, as well as community need, we respectfully ask for an increase in this one-time groundbreaking investment to create an adequate supply of community-based behavioral health care options.

Counties also seek to partner with your Administration and the Legislature to address inpatient cost needs, youth mental health, and increasing the state’s capacity for substance use disorder treatment. Thoughtful funding augmentations can transform the current “fail first” behavioral health system in which a person typically must fall into behavioral health crisis before accessing services, into a proactive system that respects and identifies the needs of our diverse communities while providing accessible care.

LOCAL TRANSPORTATION INFRASTRUCTURE

The COVID-19 pandemic resulted in precipitous reductions in local transportation funding in 2020 as Californians sheltered in place and reduced their driving. While revenues have gradually increased, they are still below prior projections; thereby reducing project delivery at a time when local agencies have hundreds of projects that could quickly go to construction and help stimulate further economic recovery. The Coronavirus Response and Relief Supplemental Appropriations Act made funding available for

transportation infrastructure, but several “fix-it-first” programs that help support the state’s transportation and climate goals are not slated to receive funding from that source. Accordingly, CSAC urges a one-time allocation of \$500 million for California’s Local Highway Bridge Program (HBP), \$250 million for the Local Highway Safety Improvement Program (HSIP), and \$250 million from the Active Transportation Program (ATP).

The HBP receives approximately \$300 million per year in federal funding through the state, has a nearly 18-year program of projects, and is currently not accepting new applications due to funding backlogs. At the same time, local agencies are responsible for an aging portfolio of 12,105 bridges, of which 2,663 need rehabilitation or replacement. There are nearly \$400 million in local bridge replacement and rehabilitation projects that could very quickly proceed to construction with additional funding, and the program could quickly identify additional projects for the remaining funds given the list of over 800 bridge projects currently in the approximately 18-year program.

The HSIP and ATP programs are both competitive programs that directly support the state’s active transportation and climate goals. The HSIP program’s most recent cycle received applications for \$489.8 million in projects, with awards made to 266 projects totaling \$227.6 million in HSIP funds. With additional funding of \$250 million, the program could almost fully fund the evidence-based safety improvement projects that sought funding in the current grant cycle. The ATP program is even more over-subscribed, with over \$2 billion in requests for \$220 million in available funding in the current grant cycle. Supplemental funding of \$250 million could quickly be allocated to dozens of projects to help transform local roadways to encourage and support safe access for people riding bicycles and walking.

ELECTIONS

The state’s partnership in funding election administration last year was a welcome return to a model of shared responsibility. The expansion of mail voting in response to the pandemic helped ensure that all who were eligible to vote were able to and we look forward to working with you to continue expanding voting opportunities. While the funding provided was for the one-time costs associated with the changed rules, we would ask the state to consider continuing this partnership in the future. Reimbursement for legislative vacancy elections used to be automatic, but haven’t been made for over a decade. Similarly, reimbursement for mandated costs related to elections stood in for the state’s “normal” share of election costs, but were also halted over a decade ago. We believe it is appropriate, especially in light of the state’s incredible revenue growth during a decade that many county general funds have faltered, for the state to pay its share of election costs, just as schools, cities, and special districts do.

CONCLUSION

As you survey the challenges and opportunities before you, we ask that you consider the tireless work of counties in disaster response and economic recovery and carefully consider the above requests. As the form of government closest to the people, county boards of supervisors are prepared to work in partnership with you to create an equitable, sustainable, and bright future for all Californians.

Respectfully,



Graham Knaus
Executive Director