



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 03/19/2024

DATE: March 13, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Approve Legislative Priorities with Regard to State, Federal, and Regional Legislation

RECOMMENDATION:

Approve the legislative priorities with regard to State, Federal, and regional legislation.

BACKGROUND:

On September 5, 2023, the Town Council adopted amendments to Council Policy #2-18: Legislative Policy (Attachment 1) to include an annual review of the Town's legislative priorities. The review occurs annually shortly after the Council discusses its Strategic Priorities. The Legislative priorities would be used to support Town Council Members in discussions with legislators and to provide guidance as the Town considers which legislative proposals to track and/or take a position. The Town Manager or the Town Attorney would be authorized to prepare and issue position letters for the Mayor's signature after determining that the legislative proposal could impact the Town and that the proposed position would be in alignment with the adopted legislative priorities. While there may be many legislative proposals for which a Town position would be in alignment with the Legislative Priorities, only the most pressing proposals will be acted on and will be subject to staff capacity.

DISCUSSION:

The following legislative priorities are recommended based on the potential impacts to the Town and the Council's Strategic Priorities. Active priorities will be actively monitored and appropriate action, such as submitting position letters, will be proactively taken at the opportune times. It is recommended that only three to five active priorities be identified to ensure staff capacity to successfully respond to these priority areas. Passive priorities will not

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Assistant Town Manager

Reviewed by: Town Manager, Town Attorney, and Finance Director

DISCUSSION (continued):

be actively monitored but their inclusion would allow the Town to take action should the need become urgent and staff bandwidth allow for it. In addition, the Town is a member of the League of California Cities which actively conducts legislative advocacy on behalf of its members and their priorities can be found in Attachment 2. The Town is also a member of the Santa Clara County Cities Association which participates in legislative affairs (<https://citiesassociation.org/advocacy/>).

Recommended Legislative Priorities:

Active Priorities:

1. Oppose California Business Roundtable Measure: This measure is slated to appear on the November 2024 ballot. It would revise the California Constitution with provisions that limit voters' authority and input, adopt new and stricter rules for raising taxes and fees, and may make it more difficult to impose fines and penalties for violation of state and local laws. The measure puts billions of local government tax and fee revenues at risk statewide with related core public service impacts. The measure includes a provision that any taxes and fees adopted after January 1, 2022 that do not comply with the new rules are void unless reenacted. The League of California Cities recommends opposing this measure on their "Take Action" webpage (Attachment 3). The Town has already submitted a letter with an "oppose" position.
2. Support AB 3109 (Muratsuchi) – Theft: Existing law, the Safe Neighborhoods and Schools Act, enacted as an initiative statute by Proposition 47, as approved by the electors at the November 4, 2014, statewide general election, makes the theft of money, labor, or property petty theft punishable as a misdemeanor whenever the value of the property taken does not exceed \$950 and grand theft when the value exceeds \$950. Proposition 47 requires shoplifting, defined as entering a commercial establishment with the intent to commit larceny if the value of the property taken does not exceed \$950, to be punished as a misdemeanor. The bill would, if a person has one conviction for a specified theft offense, make a second or subsequent conviction punishable by imprisonment in the county jail not exceeding one year, or 16 months, or 2 or 3 years. This bill contains other related provisions and other existing laws.
3. One to three other specific bills or measures as directed by Council.

Passive Priorities:

4. Clarifications regarding SB 9: The Town may want to support legislation that clarifies SB 9 lot splits and developments in Very High Fire Hazard Severity Zones, affordability requirements, and the attestation of intent to occupy.

DISCUSSION (continued):

5. Protect Vehicle License Fee (VLF) and Educational Revenue Augmentation Fund (ERAF): As the State may consider how it will address future budget shortfalls, it is critical that the State not take funding from local government. In the past, these two funding sources have been redirected to the State for its own budgeting purposes.
6. Internet Sales Tax: With the exception of our Measure G district sales tax, internet sales tax goes into a pool and is distributed based on a jurisdiction's share of the overall sales tax collected in the respective County. In contrast, the Town's Measure G district sales tax is distributed based on the buyer's location, yielding higher revenue for the Town. The Town may want to support changes to the general distribution of sales tax that would benefit Los Gatos.
7. Mental Health: Mental health support is important to the Los Gatos community and the Town may want to support legislation that furthers mental health through funding, emphasis in Policing, or other methods could be beneficial to the Town.
8. Fire Protection and Insurance: Fire protection is one of the Town Council's Strategic Priorities and the Town may want to support legislation that furthers fire protection funding and efforts that could be beneficial to the Town. Legislation to ensure the availability of fire insurance for residents could become more important if insurance becomes harder to obtain.
9. Housing: When effective, the Town may have interest in participating in certain housing bills.
10. Unfunded Mandates: Unfunded mandates strain the Town's already limited resources and should be opposed.
11. Water: Support local water agency requests when beneficial to the Town.
12. Beach Traffic: Legislation to support the Town in reducing impacts of beach cut-through traffic could be beneficial. One possibility could involve prohibiting navigation applications from directing cut-through traffic through High Fire Severity Zones on high fire risk days.
13. Transportation – Speeding: The Town may want to support legislation to reduce speeding that could be beneficial for the Town.

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CONCLUSION:

Staff looks forward to Council's discussion and any direction regarding legislative priorities.

COORDINATION:

This report was coordinated with the Town Manager's Office and Town Attorney.

FISCAL IMPACT:

There is no associated fiscal impact other than the staff time needed to monitor and respond to legislation.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.

Attachments:

1. Town Council Policy 2-18: Legislative Policy
2. League of California Cities 2024 Advocacy Priorities
3. League of California Cities Take Action Webpage