
MEMORANDUM

To: Mayor Libby Schaaf
Council President Nikki Fortunato Bas and City Council Members

From: Townsend Public Affairs
Christopher Townsend, President
Niccolo De Luca, Vice President
Andres Ramirez, Senior Associate

Date: September 5, 2022

Subject: Overview of the 2022 Legislative Session

STATE LEGISLATIVE WRAP UP: 2021-22 SESSION OVERVIEW

August 31 marked the final night of the 2021-2022 Legislative Session. The night ended at two o'clock in the morning, which can be attributed to numerous last minute legislative pushes for new climate regulations, disputes over a bill that would have allowed legislative staffers to unionize, and the fate of California's last-standing nuclear power plant. In a stark contrast to last years' calm and quick final night of session, many major issues had not been decided and passed with the incremental waves of budget bills and budget trailer bills over the summer and in the month since summer recess.

Nevertheless, the Legislature decided the fate of a number of bills in its final days of session. Of the 2,350 bills introduced this year, the Legislature passed a total of 1,440. As of September 2, the Governor has signed 490, vetoed 7, and still has 943 bills to consider before the September 30 deadline.

Following the Legislature's adjournment, it is expected that the Governor will follow his previous bill-signing trends and will package bills with other similar measures for signing into law. These packages are likely to include measures that address housing and land use, behavioral health supportive services, climate change and energy, and Brown Act Modernization, among others.

Below is an overview of a few of the bills the Legislature has passed onto the Governor's desk for final consideration, organized by issue area:

Housing and Land Use

Throughout the 2022 Legislative Session, lawmakers were once again keenly focused on land use and zoning reform. These efforts build upon the passage of major land use reform bills from 2021, including SB 9 (Atkins), which requires the ministerial approval of urban lot splits and two-unit developments on single-family zoned parcels.

This year's Session ended with the passage of several notable land use reform measures, including AB 2011 (Wicks) and SB 6 (Caballero), both of which authorize housing development projects in sites zoned for retail, office, parking, or along transit-rich corridors, so long as developers utilize stricter labor standards or adhere to stricter affordability requirements. Despite

their similarities, both bills passed into law – a strategy that legislative leadership has touted as a method to give developers the choice to decide which strategy to use when approaching a housing development project in a non-residential zone: comply with stricter labor standards or stricter affordability standards. As of September 2, both bills are still pending final action from the Governor.

Another major land use reform measure that passed this year was AB 2097 (Friedman), which prohibits public agencies from imposing minimum automobile parking requirements on specified residential, commercial and other developments located within one-half mile of public transit. Notably, this bill is the second iteration of the legislation, which failed in the Appropriations Committee during the 2021 Legislative Session. Like SB 6 and AB 2011, this bill is also currently pending final action from the Governor.

In addition to land use reform measures, the Legislature passed a handful of bills relating to Accessory Dwelling Unit (ADU) requirements. These include SB 897 (Wieckowski), which makes various changes to existing ADU laws, including adjustments to the minimum height limitations that a local agency may impose. Another ADU reform measure is AB 916 (Salas), which prohibits a city or county from requiring a public hearing as a condition of reconfiguring existing space to add up to two bedrooms within an existing dwelling unit. Both bills are pending consideration from the Governor.

Brown Act Reform

The COVID-19 pandemic necessitated reforms to the Brown Act to provide remote flexibilities to adhere to social distancing orders. During the 2021 Legislative Session, the Legislature passed, and the Governor signed, AB 361 (Rivas) into law, which allows local agencies to use teleconferencing without complying with specified Ralph. M Brown Act restrictions in certain state emergencies. Following the passage of AB 361, it was thought there would be no appetite to modify its provisions or look toward additional Brown Act modernization requirements. However, this Session, three measures addressing public meetings requirements were passed by the legislature.

These include AB 2449 (Rubio), which allows members of a legislative body of a local agency to use teleconferencing without identifying each teleconference location in the notice and agenda of the meeting, and without making each teleconference location accessible to the public. AB 2647 (Levine) allows writings that have been distributed to members of a legislative body of a local agency less than 72 hours before an open, regular meeting to be exempt from specified requirements of the Ralph M. Brown Act (Brown Act), if the agency meets certain requirements. Both measures are on the Governor's desk awaiting consideration, as of Friday, September 2.

An additional measure, SB 1100 (Cortese), has already been signed into law. This bill authorizes the presiding member of a legislative body conducting a meeting, or their designee, to remove an individual for disrupting the meeting, and defines "disrupting" for these purposes.

Each of these three measures reflect modest changes to the Brown Act to allow for additional flexibilities for local agencies. Continued remote teleconferencing for *all members* of a legislative body is currently provided via the provisions established under AB 361, which are set to expire January 1, 2024, or when the COVID-19 state of emergency is lifted – whichever comes first.

Behavioral Health Reform

This Session, Governor Newsom and Legislative Leaders made it clear that overhauling the State's existing behavioral healthcare infrastructure was a top priority. On March 3, 2022, Governor Newsom unveiled his CARE (Community Assistance, Recovery, and Empowerment)

Court proposal framework, which was later packaged into SB 1338 (Umberg). This bill would offer court-ordered individualized interventions and services, stabilization medication, advanced mental health directives, and housing assistance to individuals struggling with behavioral health crises. Plans would last anywhere up to 12-24 months. In addition to their full clinical team, the client-centered approach also includes a public defender and a supporter to help individuals make self-directed care decisions.

County behavioral health departments would be responsible for carrying out the care plans. Those who don't comply with their plans could be subject to California's existing system of involuntary hospital stays and conservatorships. Such programs have been in place since the 1960s, following the state's shift away from mental health hospitals and toward community-oriented care. Since California dismantled the hospital system, the state has primarily made use of the Lanterman-Petris-Short Act and Laura's Law to care for people who suffer from severe mental illnesses. According to an October 2021 Department of Health Care Services report, only 218 people received treatment through Laura's Law during the 2018-19 fiscal year – a statistic that many supporters of the program have referenced as an example for new programming.

After numerous iterations of amendments, SB 1338 was passed by the Legislature on the final night of Session. Notably, the bill includes staggered implementation and additional funding resources to allow counties and other local agencies time to implement the program.

Other bills seeking to add reforms to behavioral healthcare were part of a bill package introduced by Senator Eggman. This included bills SB 929, SB 970, SB 1035, SB 1227, and SB 1338 – each of which adds modernizations to California's behavioral health continuum, including increased data collection among agencies and stakeholders to better understand the outcomes of involuntary holds, services provided, waiting periods to receive care, current and projected behavioral health care infrastructure, service needs, and more. Each of these bills are on the Governor's desk awaiting consideration as of September 2, 2022.

Climate and Energy

In mid-August, reports began swirling about the Governor convening meetings with Legislative leaders and the Democratic Caucus to push forward last-minute legislation to address the climate crisis. These priorities materialized into a [memo](#) presented to the Legislature, outlining climate change mitigation tactics the Governor wanted to see pushed forward in legislation before the end of Session. These included laws set interim targets for 100 percent clean energy, regulate projects to remove carbon from the atmosphere and smokestacks, and end new oil drilling near communities.

Ultimately, these efforts resulted in six legislative proposals, five of which passed the Legislature and are pending the Governor's signature as of September 2. These five measures include the following:

Greenhouse Gas Emission Reductions

Measures contained within the package relating to greenhouse gas emissions include AB 1279 (Muratsuchi), which codifies the State's existing goal of carbon neutrality by 2045. For context, the State enacted another greenhouse gas bill, AB 32, in 2006, requiring the State to set a target for emissions to drop to 1990 levels by 2020. While AB 1279 passed, another, more aggressive measure that would have set California's target at 55% below the state's 1990 emissions up from the current 40% target, failed in the Assembly on the final night of session.

Clean Energy and Grid Reliability

Another measure relating to the Governor’s climate proposals is SB 1020 (Laird), which sets interim targets for generating clean energy. A current law already requires 100% of retail electricity to be fueled by renewables such as wind and solar by 2045. The new law would add 90% by 2035 and 95% by 2040. In addition, all State agencies must source their energy from 100% renewable sources by 2035, ten years sooner than law now requires.

The question remains, however, if California’s electrical grid can handle the surge in energy demand. The State is expected to see a 68% increase in energy consumption by 2045, according to the California Air Resources Board. To handle that increase, the Agency estimates that the state needs to expedite renewable energy projects.

The issue of grid reliability was addressed in SB 846 (Dodd) which aims to keep the state’s last remaining nuclear power plant in Diablo Canyon operating until 2030 and gives its operator, Pacific Gas & Electric, a \$1.4 billion loan to do so. This bill was viewed as one of the most contentious bills of the final night of session – with proponents arguing the need to keep the power plant functioning in the face of increase grid demand, and opponents concerned about accidents, nuclear waste issues, and a perceived “PG&E bailout.”

Carbon Sequestration

SB 905 (Caballero) directs the California Air Resources Board to develop a program and set regulations for carbon capture, utilization and storage projects at polluting industries, such as oil refineries. The practice is supported by the oil industry, but environmentalists say it has the potential to do more harm than good and prolongs the lives of fossil fuels. The State has yet to see a large scale carbon capture and storage development seen to fruition.

Another bill approved by the Legislature, AB 1757 (C. Garcia), would require the State to set targets for removing planet-warming carbon from the atmosphere with nature-based methods, such as planting trees, restoring wetlands and scaling up public landscaping and urban forestry projects. The bill received widespread support from environmentalists, who say nature-based solutions to combating the existing amount of greenhouse gas emissions in the air is a better approach than relying on engineered technologies.

Oil Well Setbacks

The 2022 Legislative Session saw several attempts to establish buffer zones around oil and gas wells and other large-scale industrial equipment, to prevent their encroachment on “sensitive receptors” like residential zones and schools.

SB 1137 (Gonzalez), which requires 3,200 foot setbacks between new oil and gas wells and sensitive receptors, narrowly passed the Legislature on the final night of session. The bill also requires operators to take certain steps at the thousands of existing wells within that buffer zone. Included is a plan to monitor toxic leaks and emissions, and install alarm systems. In addition, new requirements would include limits on noise, light, dust and vapors.

Looking Forward

As previously mentioned, the Governor will have until the end of September to act on all measures passed by the Legislature. Last year, Governor Newsom approved 92 percent and vetoed 7.9 percent of the bills that made it to his desk. It is expected that he will sign a similar percentage of bills into law this year.

In addition to the onset of new laws, next year will mark massive changes in the State Legislature. The decennial redistricting process caused numerous lawmakers to move, battle for new district

spots, or retire. This, coupled with the onset of another graduating class of legislators under the new term limit requirements established by Prop. 140 (1990), has prompted many legislators to not seek reelection. As such, 2023 will bring forward a new class of freshman legislators – specifically, 10 new Senators and 19 new Assembly Members.

This is likely to spark new leadership changes, bill ideas, and shift the makeup of factions within the Democratic Caucus. For instance, Assembly Member Robert Rivas has already signaled his intentions of battling Incumbent Speaker Anthony Rendon for the coveted Assembly Speakership. If he succeeds, it is likely he will appoint new committee chairs and internal leadership positions.