CARPD LEGISLATIVE REPORT

Legislature Grinds Toward Spring Recess

The Legislature will commence Spring Recess upon adjournment of Session on April 10th and will reconvene on April 21st. Following the Spring Recess, the Legislature will face a number of policy/fiscal committee deadlines, causing the pace of lawmaking to increase substantially.

State Revenues Continue to Show Strong Growth

The State Controller's February Cash Analysis issued March 10th continues to reflect moderate to strong revenue growth, with February's year-to-date revenues up \$5.6 billion as compared to the Governor's proposed 2014-15 State Budget estimates. February's revenues alone were up \$825 million above the Governor's budget estimates.

The good news is tempered by more recent news suggesting the Governor's so-called "Wall-of-Debt," continues to grow, with the State Teachers Retirement System (STRS) now a whopping \$73.7 billion underfunded. A number of legislators have joined the Governor in calls to address the STRS problem during the current state budget discussions. Don't hold your breath for a quick solution...

Park Bond Proposed

Newly elected Senate President Pro Tem Kevin de Leon has introduced Senate Bill 1086, The Safe Neighborhood Parks, Rivers, and Coastal Protection Bond Act of 2014. While a "work-in-progress," SB 1086 does not contain funding for the specific funding categories, and in its current form, does not contain a pro rata allocation to recreation and park districts.

CARPD has adopted a Watch position on SB 1086 and requested the membership to write Senator de Leon and Senator Fran Pavley, Chair of the Senate Natural Resources and Water Committee, urging the inclusion of a per capita formula for recreation and park districts.

Minimum Wage Increase Proposed

Senate Bill 935 by Senator Leno proposes raising the minimum wage for both private and public employers as follows: January 1, 2015, to not less than \$11 per hour; on or after January 1, 2016, to not less than \$12 per hour; and, on or before January 1, 2017, to not less than \$13 per hour. Senate Bill 935 also contains an automatic adjustment of the minimum wage annually thereafter, tied to California's rate of inflation and contains additional language that the minimum wage cannot be decreased due to the rate of inflation.

Redevelopment Wind-down

In additional to a proposed initiative that would reinstate over 400 redevelopment agencies with the power to continue taking tax increment from recreation and park districts, as well as all other special districts and counties, we are carefully following a number of bills related to redevelopment to ensure none will be amended to allow other forms of local infrastructure financing to utilize tax increment financing without the approval of the affected taxing agencies. To date there are none, but we will continue to monitor such bills and immediately oppose any that proposes the use of tax increment financing without optin/opt-out language.