

Assembly California Legislature Committee on Rules

KEN COOLEY CHAIR VICE CHAIR CUNNINGHAM, JORDAN

> MEMBERS BENNETT, STEVE BONTA, MIA

FLORA, HEATH GIPSON, MIKE A. LEE, ALEX MAIENSCHEIN, BRIAN MATHIS, DEVON J. RAMOS, JAMES C. RUBIO, BLANCA E.

LEVINE, MARC (D-ALT) VALLADARES, SUZETTE MARTINEZ (R-ALT)

VILLAPUDUA, CARLOS

Friday, January 14, 2022 8:45 a.m. State Capitol, Room 437

CONSENT AGENDA

BILL REFERRALS

1. Bill Referrals Page 2

RESOLUTION

2. ACR-120 (Bauer-Kahan) Maternal Health Awareness Day. (refer/hear) Page 4

REQUESTS TO ADD URGENCY CLAUSE

3. SB 396 (Dahle) Forestry: electrical transmission or distribution lines: clearances: Page 11 notice and opportunity to be heard

4. SB 418 (Laird) Pajaro Valley Health Care District Page 20



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CHIEF ADMINISTRATIVE OFFICER
DEBRA GRAVERT

Assembly California Hegislature Committee on Rules KEN COOLEY CHAIR

VICE CHAIR JORDAN CUNNINGHAM

MEMBERS
STEVE BENNETT
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JAMES C. RAMOS

MARC LEVINE (D-ALT.) SUZETTE VALLADARES (R-ALT.)

BLANCA E. RUBIO

CARLOS VILLAPUDUA

Memo

To: Rules Committee Members

From: Michael Erke, Bill Referral Consultant

Date: 1/13/2022

Re: Consent Bill Referrals

Since you received your preliminary list of bill referrals, the referral recommendation for AB 1608 has changed.

REFERRAL OF BILLS TO COMMITTEE

01/14/2022

AB 1611

AB 1613

Pursuant to the Assembly Rules, the following bills were referred to committee:

Assembly Bill No. Committee: AB 1595 M. & V.A. AB 1597 PUB. S. PUB. S. AB 1598 PUB. S. AB 1599 A. & A.R. AB 1600 AB 1601 L. & E. AB 1602 HIGHER ED. PUB. S. AB 1603

AB 1604 P.E. & R. AB 1605 REV. & TAX. HIGHER ED. AB 1606 M. & V.A. AB 1606

ED. AB 1607 AB 1608 L. GOV. PUB. S. AB 1608 AB 1609 ED. AB 1610 L. GOV. NAT. RES.

JUD. AB 1611

AB 1612 REV. & TAX. PUB. S.

<u>AB 161</u>4 ED. AB 1615 H. & C.D. AB 1615 HUM. S.

AB 1617 G.O. AB 1618 **HEALTH ACR 118** TRANS. RLS. **ACR 119**

ACR 120 RLS. ACR 121 RLS. RLS. HR 79

Introduced by Assembly Member Bauer-Kahan

January 10, 2022

Assembly Concurrent Resolution No. 120—Relative to Maternal Health Awareness Day.

LEGISLATIVE COUNSEL'S DIGEST

ACR 120, as introduced, Bauer-Kahan. Maternal Health Awareness Day.

This measure would proclaim January 23, 2022, as Maternal Health Awareness Day.

Fiscal committee: no.

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- WHEREAS, The United States ranks highest among industrialized nations in maternal mortality; and
 - WHEREAS, Nationally, maternal mortality rates are rising, and significant and widening disparities persist with black pregnant people, who are three to four times more likely than white pregnant people to die during pregnancy and the postpartum period; and

WHEREAS, More than 700 pregnant people die each year in the United States as a result of pregnancy or delivery complications, and over half of these deaths are preventable; and

WHEREAS, While the national maternal mortality rate continues to rise, California has worked diligently and successfully to reverse the alarming trend; and

- WHEREAS, The California Maternal Quality Care Collaborative
- 14 (CMQCC), a multistakeholder organization committed to ending
- 15 preventable morbidity, mortality, and racial disparities in California

ACR 120 -2-

- maternity care, was founded in 2006 at Stanford University School
- 2 Medicine. in coordination with the California
- 3 Pregnancy-Associated Mortality Review (CA-PAMR) and the
- 4 Public Health Institute, in response to rising maternal mortality 5
 - and morbidity rates; and

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- 6 WHEREAS, The CMQCC uses research, quality improvement 7 toolkits, statewide outreach collaboratives, and its innovative
- 8 Maternal Data Center to improve health outcomes for mothers and 9 infants: and
 - WHEREAS, Since CMQCC's inception, California has seen maternal mortality decline by 65 percent between 2006 to 2016, while the national maternal mortality rate continued to rise; and

WHEREAS, CA-PAMR reported that, from 1999 to 2016, inclusive, suicide rates among pregnant people of reproductive age (15–49 years of age) in California remained consistently lower and stable over time while national suicide rates were higher and have continued to rise; and

WHEREAS, A pregnant person's mental health condition can also be a factor in maternal mortality. Recent efforts have been made to bring greater awareness to maternal mental health and to ensure more pregnant people are screened and treated for postpartum depression or psychosis and that many of those pregnant people remain covered by health insurance upon diagnosis; and

WHEREAS, Improved screening alone can reduce the severity of postpartum depression. Obstetric providers are implementing more aggressive screening techniques and making strides to further recognize and therefore treat maternal mental health conditions; and

WHEREAS, While California has set an example for the rest of the country and continues to lead in preventing maternal deaths, there is still more work to be done; and

WHEREAS, The State Department of Public Health must continue its surveillance to bring heightened awareness to maternal health: and

36 WHEREAS, California must maintain its efforts to maximize health prior to pregnancy, including, but not limited to, prevent 37 smoking, improve fitness, reduce sexually transmitted diseases, 38

39 and promote positive relationships; and -3- ACR 120

WHEREAS, California must continue to address the postpartum needs of pregnant people through such efforts as postpartum visits and interconception care, breastfeeding support, and screening for postpartum depression; and

WHEREAS, California should continue to promote positive birth outcomes for all pregnant people through such actions as maternity care quality improvement, home visiting for vulnerable pregnant people, and providing additional support for black pregnant people, and to further increase culturally and linguistically relevant public awareness about maternal mental health risk factors, signs, symptoms, treatment, and recovery; and

WHEREAS, California should maintain its efforts to improve the coordination of care between obstetrics and psychiatry regarding mental health treatment, as needed, and to continue advancements for improved screening for mental health conditions during and after pregnancy, as well as screening for substance use, adverse childhood experiences, medical diagnoses, including, infectious disease, and intimate partner violence; and

WHEREAS, The COVID-19 pandemic has presented another challenge to pregnant people. Data have shown that COVID-19 infection puts pregnant people at increased risk of severe complications and even death; yet as of October 2021, only about 31 percent of pregnant people have been vaccinated against COVID-19, according to the CDC; and

WHEREAS, The American College of Obstetricians and Gynecologists and the Society for Maternal-Fetal Medicine, the two leading organizations representing specialists in obstetric care, recommend that all pregnant people be vaccinated against COVID-19, based on clinical evidence demonstrating the safe use of the COVID-19 vaccines during pregnancy. California must continue to encourage pregnant people to be vaccinated against COVID-19; and

WHEREAS, The Legislature seeks to bring awareness to maternal health and continue its work to provide positive outcomes for both the mother and the infant; now, therefore, be it

Resolved by the Assembly of the State of California, the Senate thereof concurring, That the Legislature proclaims January 23, 2022, as Maternal Health Awareness Day, to draw attention to the efforts that have improved maternal health in California and to

ACR 120 _4_

- highlight the need for continued improvement of maternal health
 for all pregnant people; and be it further
 Resolved, That the Chief Clerk of the Assembly transmit copies
 of this resolution to the author for appropriate distribution.

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Date of Hearing: January 14, 2022

ASSEMBLY COMMITTEE ON RULES

Ken Cooley, Chair ACR 120 (Bauer-Kahan) – As Introduced January 10, 2022

SUBJECT: Maternal Health Awareness Day.

SUMMARY: Proclaims January 23, 2022, as Maternal Health Awareness Day, to draw attention to the efforts that have improved maternal health in California and to highlight the need for continued improvement of maternal health for all pregnant people. Specifically, **this resolution** makes the following legislative findings:

- 1) The United States ranks highest among industrialized nations in maternal mortality; and, significant and widening disparities persist with black pregnant people, who are three to four times more likely than white pregnant people to die during pregnancy and the postpartum period.
- 2) While the national maternal mortality rate continues to rise, California has worked diligently and successfully to reverse the alarming trend.
- 3) The California Maternal Quality Care Collaborative (CMQCC), a multistakeholder organization committed to ending preventable morbidity, mortality, and racial disparities in California maternity care, was founded in 2006 at Stanford University School of Medicine, in coordination with the California Pregnancy-Associated Mortality Review (CA-PAMR) and the Public Health Institute, in response to rising maternal mortality and morbidity rates
- 4) The CMQCC uses research, quality improvement toolkits, statewide outreach collaboratives, and its innovative Maternal Data Center to improve health outcomes for mothers and infants.
- 5) A pregnant person's mental health condition can also be a factor in maternal mortality. Recent efforts have been made to bring greater awareness to maternal mental health and to ensure more pregnant people are screened and treated for postpartum depression or psychosis and that many of those pregnant people remain covered by health insurance upon diagnosis.
- 6) Improved screening alone can reduce the severity of postpartum depression. Obstetric providers are implementing more aggressive screening techniques and making strides to further recognize and therefore treat maternal mental health conditions.
- 7) While California has set an example for the rest of the country and continues to lead in preventing maternal deaths, there is still more work to be done; and, the State Department of Public Health must continue its surveillance to bring heightened awareness to maternal health.
- 8) California must maintain its efforts to maximize health prior to pregnancy, including, but not limited to, prevent smoking, improve fitness, reduce sexually transmitted diseases, and promote positive relationships; and, must continue to address the postpartum needs of pregnant people through such efforts as postpartum visits and interconception care, breastfeeding support, and screening for postpartum depression.

9) California should maintain its efforts to improve the coordination of care between obstetrics and psychiatry regarding mental health treatment, as needed, and to continue advancements for improved screening for mental health conditions during and after pregnancy, as well as screening for substance use, adverse childhood experiences, medical diagnoses, including, infectious disease, and intimate partner violence.

FISCAL EFFECT: None

REGISTERED SUPPORT / OPPOSITION:

Support

American College of Obstetricians and Gynecologists District IX

Opposition

None on file

Analysis Prepared by: Michael Erke / RLS. / (916) 319-2800



American College of Obstetricians and Gynecologists

District IX

January 11, 2022

The Honorable Ken Cooley, Chair Assembly Committee on Rules State Capitol Sacramento, CA 95814

RE: ACR 120 (Bauer Kahan) - SPONSOR

Dear Chairperson Cooley:

The American College of Obstetricians and Gynecologists District IX (ACOG) is pleased to sponsor and support ACR 120 (Bauer Kahan), which declares January 23, 2022 as Maternal Health Awareness Day.

While California continues to lead the nation in preventing maternal deaths, there is still much more work to be done. The maternal mortality rate in the United States is higher than any other resource-rich nation, and approximately 60% of maternal deaths are preventable. Inexcusably, almost all women of color are disproportionately impacted by this crisis. For example, new data shows that Black women were six times more likely to die within a year of pregnancy than white women from 2014 to 2016 and had a higher rate of death than Black women nationally from 2014 to 2017. This must stop.

Although the country continues to be embroiled in the COVID-19 pandemic, maternal mortality remains a public health crisis. We must continue to focus our attention and resources on addressing this crisis and saving the lives of mothers across the country.

To help more people to learn about the urgency of the country's maternal mortality crisis and how we can work together to reverse its course, ACOG is pleased to sponsor and ask for your support of ACR 120 declaring January 23 as Maternal Health Awareness Day. Thank you.

Sincerely,

CC:

Ryan Spencer Legislative Advocate

Assemblymember Bauer Kahan

CHAIR

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CHAIR-ELECT Kelly McCue, MD

TREASURER

John McHugh, MD

SECRETARY Toni Marengo, MD

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JUNIOR FELLOW CHAIR Hayley Miller, MD

DISTRICT MANAGERMichelle Clark, MSW

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11230 GOLD EXPRESS DRIVE
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GOLD RIVER, CA 95670
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1320 YUBA STREET

SUITE 102 REDDING, CA 96002 TEL (530) 224-7001

California State Senate

SENATOR BRIAN DAHLE

FIRST SENATE DISTRICT



VICE CHAIR

ENERGY, UTILITIES
AND COMMUNICATIONS

MEMBER

BANKING AND FINANCIAL INSTITUTIONS

BUDGET AND FISCAL REVIEW SUBCOMMITTEE #2 ON RESOURCES, ENVIRONMENTAL PROTECTION, ENERGY AND TRANSPORTATION

EDUCATION

ENVIRONMENTAL QUALITY
TRANSPORTATION

January 7, 2022

The Honorable Assembly Member Ken Cooley Chair, Assembly Rules Committee California State Capitol, Room 3016 Sacramento, CA, 95811

SUBJECT: Senate Bill 396 Urgency Clause Request

Dear Chair Cooley,

I am writing to request an urgency clause for Senate Bill 396: Forestry: electrical transmission or distribution lines: clearances: notice and opportunity to be heard.

This bill would amend Section 4428 of the Public Resources Code to remove the requirement for a "sealed box" of tools and instead require a "dedicated set" of tools for firefighting purposes. SB 396 would also would grant an electric utility the right to remove hazard trees from public or private properties where it otherwise lacked legal authority to do so, after giving notice and providing the landowner with an opportunity to be heard, without being exposed to liability from landowners for abatement or removal of the hazard trees. This bill would not protect electric utilities from any liability associated with utility negligence in performing removals.

California Public Utility Commission General Order 95, Rule 35, stipulates that electric utilities abate and remove trees that are in close proximity to utility infrastructure known as 'hazard trees'. Currently, utilities face liability for trespassing and treble damages (triple the property value loss) for abating hazard trees where they do not have the authority to do so. This situation between utilities and landowners puts many communities at risk even though the imminent threat of wildfire is widely acknowledged. Efforts to wildfire risk should not place utilities and their employees at odds with public safety.

Thank you for your consideration of this request. If you have any questions, please contact Casey Dunn in my office at 916-651-4001 or casey.dunn@sen.ca.gov.

Sincerely,

BRIAN DAHLE

Brian Dable

Senator, 1st District

AMENDED IN ASSEMBLY SEPTEMBER 3, 2021 AMENDED IN ASSEMBLY JULY 12, 2021 AMENDED IN ASSEMBLY JUNE 30, 2021

SENATE BILL

No. 396

Introduced by Senator Dahle

(Principal coauthor: Assembly Member Mayes)

February 11, 2021

An act to add Section 15478 to the Government Code, and to amend Sections Section 4295.5 and 4428 of the Public Resources Code, relating to forestry.

LEGISLATIVE COUNSEL'S DIGEST

SB 396, as amended, Dahle. Forestry: electrical transmission or distribution lines: clearances: notice and opportunity to be heard: internal combustion engines: fire toolbox. heard.

Existing law prohibits any person, except as specified, from using or operating any vehicle, machine, tool, or equipment powered by an internal combustion engine operated on hydrocarbon fuels, in any industrial operation located on or near any forest, brush, or grass-covered land between April 1 and December 1 of any year, or at any other time when ground litter and vegetation will sustain combustion permitting the spread of fire, without providing and maintaining, for firefighting purposes only, suitable and serviceable tools, as prescribed. Existing law requires a sealed box of tools to be located within the operating area and accessible in the event of a fire, which fire toolbox shall contain: one backpack pump-type fire extinguisher filled with water, 2 axes, 2 McLeod fire tools, and a sufficient number of shovels so that each employee at the operation can be equipped to fight fire.

SB 396 —2—

This bill would require a dedicated set of tools to be located within the operating area and accessible in the event of a fire, which fire toolbox shall contain: a sufficient number of fire extinguishers, axes, 2 McLeod fire tools, and shovels so that, when added to any other tools on the industrial operation, each employee at the operation can be equipped to fight fire. The bill would make other nonsubstantive changes to these provisions.

Existing law authorizes any person who owns, controls, operates, or maintains any electrical transmission or distribution line to traverse land as necessary, regardless of land ownership or express permission to traverse land from the landowner, after providing notice and an opportunity to be heard to the landowner, to prune trees to maintain clearances, as provided, and to abate, by pruning or removal, any hazardous, dead, rotten, diseased, or structurally defective live trees. Existing law authorizes this abatement at the full discretion of the person that owns, controls, operates, or maintains the electrical transmission or distribution lines, except for certain applicable minimum clearance requirements for those lines.

Under existing law, the Public Utilities Commission, which has regulatory authority over public utilities, including electrical corporations, has established additional vegetation management requirements.

This bill would revise and recast those provisions related to electrical lines and abatement activities for a person who owns, controls, operates, or maintains an electrical transmission or distribution line, specifying that abatement activities covered by this law include felling, cutting, or trimming trees. The bill would explicitly require all these line clearance and tree pruning and abatement activities to comply with the commission's vegetation management rules, if applicable. The bill would delete an explicit statement that this electrical line access authorization provides no relief from liability for the removal of vegetation, unless that removal is covered by an applicable easement. The bill would require the identification of hazardous, dead, rotten, diseased, leaning, or structurally defective live trees that are to be felled, cut, or trimmed to be accomplished by a certified arborist or by using a tree evaluation tool or method, as provided. The bill would require any trees that are felled, cut, or trimmed, as provided, to remain on the property of the landowner landowner, as specified, and would require the person who owns, controls, operates, or maintains an electrical transmission or distribution line to preserve, to the extent feasible, any

-3- SB 396

potential value of the timber or wood left onsite, unless the landowner timely requests the removal of the timber or wood within a week of felling, cutting, or trimming, in which case, the timber or wood is to be removed at no cost to the landowner.

The California Energy Infrastructure Safety Act establishes the Office of Energy Infrastructure Safety within the Natural Resources Agency and provides that, on and after July 1, 2021, the office is the successor to, and is vested with, all of the duties, powers, and responsibilities of the Wildfire Safety Division of the commission.

This bill would require the office, on or before July 1, 2022, January 1, 2024, to develop, through a public process, standardized content to be used to satisfy the landowner notice requirement for vegetation abatement and trimming activities, including a description of the process that the person who owns, controls, operates, or maintains an electrical transmission or distribution line must provide for a landowner to exercise the opportunity to be heard, as specified, when challenging the proposed traversal of land and any felling, cutting, or trimming of trees; standardized content to be used by a landowner to request the removal of timber or wood, as specified; and recommendations for the promotion by specified entities, and at locations, for the planting of appropriate tree and shrub species near electrical infrastructures. The bill would require the person who owns, controls, operates, or maintains an electrical transmission or distribution line to make a good faith effort to communicate the processes of vegetation abatement and trimming activities, as provided, to the landowner before the release of the standardized content.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- SECTION 1. Section 15478 is added to the Government Code, to read:
- 3 15478. (a) On or before July 1, 2022, January 1, 2024, the office shall develop, through a public process, all of the following:
- 5 (a) Standardized
- 6 (1) Standardized content for a letter, door hanger, or other means
- 7 of notification that the person who owns, controls, operates, or
- 8 maintains an electrical transmission or distribution line shall use
- 9 to satisfy the landowner notice requirement described in

SB 396 —4—

- 1 subdivision (a) of Section 4295.5 of the Public Resources Code.
- 2 The content shall include a description of the process available for
- 3 that the person who owns, controls, operates, or maintains an
- 4 electrical transmission or distribution line must provide the
- 5 landowner to exercise the opportunity to be heard, established in
- 6 subdivision (a) of Section 4295.5 of the Public Resources Code,
- 7 related to the proposed traversal of land and any felling, cutting,
- 8 or trimming of trees.

9 (b)

- (2) Standardized content for use by a landowner to request the removal of timber or wood as described in paragraph (1) of subdivision (e) (b) of Section 4295.5 of the Public Resources Code.
- (3) Recommendations for the promotion by entities, including, but not limited to, electric utilities, and at locations, including, but not limited to, relevant retail stores, for the planting of appropriate tree and shrub species near electrical infrastructures. Appropriate tree and shrub species shall be tree and shrub species that, if planted in the vicinity of electrical transmission and distribution lines, cannot encroach within the vicinity of overhead conductors such that an electrical utility would need to perform vegetation management to mitigate wildfire risk.
- (b) Nothing in this section shall require the office to inspect or enforce Section 4292, 4293, or 4295.5 of the Public Resources Code or participate in any opportunity to be heard by request of a landowner.
- (c) Before the release of the standardized content, the person who owns, controls, operates, or maintains an electrical transmission or distribution line shall make a good faith effort to communicate the processes established in Section 4295.5 of the Public Resources Code to a landowner.
- SEC. 2. Section 4295.5 of the Public Resources Code is amended to read:
- 4295.5. (a) Notwithstanding any other law, including Section 4295, a person who owns, controls, operates, or maintains an electrical transmission or distribution line may traverse land as necessary, regardless of land ownership or express permission to traverse land from the landowner, after providing notice and an opportunity to be heard to the landowner, to fell, cut, or trim trees to maintain clearances pursuant to Section 4293, or, if applicable,

5 SB 396

Rule 35 of the Public Utilities Commission's General Order 95. and to abate, by felling, cutting, or trimming, any hazardous, dead, rotten, diseased, leaning, or structurally defective live trees. The felling, cutting, and trimming of these trees, and the clearances obtained when felling, cutting, or trimming of trees, shall be at the full discretion of the person that owns, controls, operates, or maintains an electrical transmission or distribution line, but shall not be less than what is required in Section 4293, and, if applicable, Rule 35 of the Public Utilities Commission's General Order 95. This section shall apply to both high fire threat districts, as determined by the Public Utilities Commission pursuant to its rulemaking authority, and to state responsibility areas.

- (b) Identification of hazardous, dead, rotten, diseased, leaning, or structurally defective live trees that are to be felled, cut, or trimmed pursuant to this section or Section 4292 or 4293 shall be accomplished by an arborist certified by the International Society of Arboriculture, or using a tree evaluation tool or method, developed or approved by an arborist certified by the International Society of Arboriculture and included in the wildfire mitigation plan required pursuant to Sections 8386 and 8387 of the Public Utilities Code.
- (c) (1) Trees that are felled, cut, or trimmed pursuant to this section or Section 4292 or 4293 shall remain on the property of the landowner and the person who owns, controls, operates, or maintains an electrical transmission or distribution line shall, to the extent feasible, preserve any potential value of the timber or wood left onsite unless the removal of the timber or wood is timely requested by the landowner within a week of felling, cutting, or trimming, in which case the person shall remove the timber or wood at no cost to the landowner. Nothing in this paragraph shall interfere with agreements made between the landowner and the person who owns, controls, operates, or maintains an electrical transmission or distribution line to specify how timber or wood is left or removed and how its value is preserved.
- (2) The person who owns, controls, operates, or maintains an electrical transmission or distribution line shall comply with all applicable laws and regulations, including the forest practices rules, when removing or leaving timber or wood pursuant to this section or Section 4292 or 4293.

SB 396 —6—

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SEC. 3. Section 4428 of the Public Resources Code is amended to read:

4428. No person, except any member of an emergency crew or except the driver or owner of any service vehicle owned or operated by or for, or operated under contract with, a publicly or privately owned utility, which is used in the construction, operation, removal, or repair of the property or facilities of the utility when engaged in emergency operations, shall use or operate any vehicle, machine, tool, or equipment powered by an internal combustion engine operated on hydrocarbon fuels in any industrial operation located on or near any forest, brush, or grass-covered land between April 1 and December 1 of any year, or at any other time when ground litter and vegetation will sustain combustion permitting the spread of fire, without providing and maintaining, for firefighting purposes only, suitable and serviceable tools in the amounts, manner, and location prescribed in this section.

- (a) On any industrial operation, a dedicated set of tools shall be located within the operating area, at a point accessible in the event of fire. This fire toolbox shall contain a sufficient number of fire extinguishers, axes, McLeod fire tools, and shovels so that, when added to any other tools on the operation, each employee at the operation can be equipped to fight fire.
- (b) One or more serviceable chainsaws of three and one-half or more horsepower with a cutting bar 20 inches in length or longer shall be immediately available within the operating area, or, in the alternative, a full set of timber-felling tools shall be located in the fire toolbox described in subdivision (a), including one crosscut falling saw six feet in length, one double-bit ax with a 36-inch handle, one sledge hammer or maul with a head weight of six or more pounds and handle length of 32 inches or more, and not less than two falling wedges.
- (c) Each rail speeder and passenger vehicle used on the operation shall be equipped with one shovel and one ax, and any other vehicle used on the operation shall be equipped with one shovel. Each tractor used on the operation shall be equipped with one shovel.
 - (d) As used in this section:
- (1) "Vehicle" means a device by which any person or property may be propelled, moved, or drawn over any land surface, excepting a device moved by human power or used exclusively upon stationary rails or tracks.

-7- SB 396

(2) "Passenger vehicle" means a vehicle that is self-propelled, designed for carrying not more than 10 persons including the driver, and used or maintained for the transportation of persons, but does not include any motortruck or truck tractor.

- SEC. 2. Section 4295.5 of the Public Resources Code is amended to read:
- 4295.5. (a) Notwithstanding any other law, including Section 4295, a person who owns, controls, operates, or maintains an electrical transmission or distribution line may traverse land as necessary, regardless of land ownership or express permission to traverse land from the landowner, after providing notice and an opportunity to be heard to the landowner, to prune fell, cut, or trim trees to maintain clearances pursuant to Section 4293, or, if applicable, Rule 35 of the Public Utilities Commission's General Order 95, and to abate, by pruning or removal, felling, cutting, or trimming, any hazardous, dead, rotten, diseased, leaning, or structurally defective live trees. The felling, cutting, and trimming of these trees, and the clearances obtained when the pruning is performed felling, cutting, or trimming of trees, shall be at the full discretion of the person that owns, controls, operates, or maintains any an electrical transmission or distribution line, but shall not be no less than what is required in Section-4293. 4293, and, if applicable, Rule 35 of the Public Utilities Commission's General Order 95. This section shall apply to both high fire threat districts, as determined by the California Public Utilities Commission pursuant to its rulemaking authority, and to state responsibility
- (b) Subdivision (a) does not exempt a person who owns, controls, operates, or maintains an electrical transmission or distribution line from liability for damages for the removal of vegetation that is not covered by an easement granted to the person for the electrical transmission or distribution line.
- (b) Trees that are felled, cut, or trimmed pursuant to this section or Section 4292 or 4293 shall remain on the property of the landowner and the person who owns, controls, operates, or maintains an electrical transmission or distribution line shall, to the extent feasible, preserve any potential value of the timber or wood left onsite unless the removal of the timber or wood is timely requested by the landowner within a week of felling, cutting, or trimming, in which case the person shall remove the timber or

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SB 396 —8—

wood at no cost to the landowner. The person may leave slash and woody debris that have been chipped and has, at maximum, a post-harvest depth of 18 inches above the ground, except within 150 feet from an approved and legally permitted structure that complies with the California Building Standards Code. Nothing in this paragraph shall interfere with agreements made between the landowner and the person who owns, controls, operates, or maintains an electrical transmission or distribution line to specify how timber or wood is left or removed and how its value is

10 preserved.

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COMMITTEES

BUDGET SUBCOMMITTEE #1 (EDUCATION)
CHAIR

JOINT LEGISLATIVE AUDIT VICE CHAIR

APPROPRIATIONS

BUDGET & FISCAL REVIEW

JOINT LEGISLATIVE COMMITTEE ON BUDGET
JUDICIARY

LABOR, PUBLIC EMPLOYMENT & RETIREMENT

NATURAL RESOURCES & WATER
RULES

JOINT LEGISLATIVE
COMMITTEE ON RULES

January 10, 2022

The Honorable Ken Cooley Chair, Assembly Rules Committee State Capitol, Room 3016 Sacramento, California 95814

Re: Request for Urgency Clause – Senate Bill 418 (Laird): Pajaro Valley Healthcare District

Dear Chair Cooley:

I write to respectfully request your approval to add an Urgency Cause to Senate Bill 418, for which I have prepared amendments to address an imminent closure of the Watsonville Community Hospital in my district. As proposed to be amended, SB 418 will establish the Pajaro Valley Healthcare District for purposes of taking ownership of hospital operations. Without immediate action, the hospital and the services and jobs which it supports, may close this March. These proposed amendments also add Assemblymembers Robert Rivas and Mark Stone as Co-Authors.

The Watsonville Community Hospital has a long history of significant financial challenges and, while the community has discussed public ownership for a number of years, late last year, the current owner/operator unexpectedly announced its intention to (1) file for Chapter 11 bankruptcy protection in early December and (2) close the hospital in January. A local non-profit organization – the Pajaro Valley Healthcare District Project – comprised of the City of Watsonville, the County of Santa Cruz, Salud Para La Gente (a federally qualified health clinic in Watsonville), and the Community Health Trust of Pajaro Valley immediately began negotiating with the current owner/operator on an asset purchase agreement. Those negotiations resulted in an asset purchase agreement with the owner/operator for the future healthcare district to take over hospital operations, as well as a commitment by the current owner/operator to defer closure of the hospital through March. These agreements are now a key component of the federal Chapter 11 bankruptcy court process.

The urgent formation of the healthcare district is necessary to ensure that the asset purchase agreement negotiated between the Project and the current owner/operator is achieved. Our goals are to ensure that public ownership of the hospital is achieved through the bankruptcy process and that the Watsonville Community Hospital remains open and available to the community for access to critical health care services. And, to ensure those who work at the hospital do not have to relocate or have a lapse in employment.

Thank you for your consideration of this important matter. Should you have any questions or concerns, please reach out to me directly, or Michelle Reyes, <u>Michelle Reyes@sen.ca.gov</u>.

Sincerely,

John Laird

State Senator, 17th District

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PROPOSED AMENDMENTS TO SENATE BILL NO. 418 AMENDED IN SENATE MARCH 17, 2021

SENATE BILL

No. 418

Introduced by Senator Laird

(Coauthor: Senator Caballero)

(Coauthors: Assembly Members Robert Rivas and Stone)

February 12, 2021



An act to amend Section 30968 of the Public Resources Code, relating to sea level rise. add Chapter 9 (commencing with Section 32498.5) to Division 23 of the Health and Safety Code, relating to health care districts, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 418, as amended, Laird. Sea level rise planning: database. Pajaro Valley Health Care District.

Existing law, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000, provides the authority and procedures for the initiation, conduct, and completion of changes of organization and reorganization of cities and districts by local agency formation commissions.

This bill would create the Pajaro Valley Health Care District, as specified, except that the bill would authorize the Pajaro Valley Health Care District to be organized, incorporated, and managed, only if the relevant county board of supervisors chooses to appoint an initial board of directors.

The bill would require, within 5 years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors to divide the district into zones and number the

Amendment 2

SB 418 -2-

zones consecutively. The bill would require that, after formation, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 govern any organizational changes for the Pajaro Valley Health Care District.

This bill would make legislative findings and declarations as to the necessity of a special statute for the creation of the Pajaro Valley Health Care District within the Counties of Santa Cruz and Monterey.

This bill would declare that it is to take effect immediately as an urgency statute.

Existing law requires the Natural Resources Agency, in collaboration with the Ocean Protection Council, to create, update biannually, and post on an internet website a Planning for Sea Level Rise Database describing steps being taken throughout the state to prepare for, and adapt to, sea level rise. Existing law further requires that various public agencies and private entities provide to the agency, on a biannual basis, sea level rise planning information, as defined, that is under the control or jurisdiction of the public agencies or private entities, and requires the agency to determine the information necessary for inclusion in the database, as prescribed. Existing law repeals these provisions on January 1, 2023.

This bill would extend the sunset date for the above provisions until January 1, 2028.

Vote: majority²/₃. Appropriation: no. Fiscal committee: yes-no. State-mandated local program: no.

The people of the State of California do enact as follows:

- + SECTION 1. The Legislature finds and declares all of the + following:
- + (a) Watsonville Community Hospital is a 106-bed hospital + located in the Pajaro Valley, which straddles southern County of
- + Santa Cruz and northern County of Monterey on California"s
- + central coast. The hospital provides important acute care and
- + emergency services in a culturally diverse community where the
- nearest alternative hospital can be up to an hour away during
- + regularly congested commutes.
- + (b) Watsonville Community Hospital employs 620 people and
- + has a medical staff of over 200 physicians. It provides a range of + quality medical services, including pediatrics, obstetrics and
- ynecology, internal medicine, family medicine, anesthesiology,

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Amendment 3

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SB 418

RN 22 02092 11 01/05/22 04:18 PM SUBSTANTIVE

- + wound care, gastroenterology, orthopedics, cardiovascular disease, + dermatology, and more. In 2020, the hospital delivered more babies + than any other hospital in the County of Santa Cruz. Serving a + significant immigrant population, the hospital provides care to + those without English language proficiency in their preferred + language.
- + (c) The community of Watsonville has historically faced many
 + health and economic disparities. The pandemic has resulted in the
 + loss of employment and school closures, and has caused
 + nonessential workers and at-risk populations to stay home.
 + Overcrowded and substandard housing conditions, food insecurity,
 + lack of transportation, and the high cost of housing have intensified
 + disparities overnight. The Pajaro Valley saw dramatic and
 + disproportionate rates of COVID-19 infections, hospitalizations,
 + and death as compared to the rest of the County of Santa Cruz.
 - (d) Over the last 21 years of for-profit ownership, the hospital administration has changed 20 times. Due to this history, partners of the Pajaro Valley Healthcare District Project all believe community ownership will provide more consistent management, oversight, and stability for the patients, staff, and community. Public ownership through a local hospital district also creates financing and funding opportunities not otherwise available to a for-profit or nonprofit entity.
- (e) Originally incorporated in 1902 as a privately owned for-profit entity, the Watsonville Community Hospital board of +directors voted in 1950 to reorganize to nonprofit status. This allowed a bond sale and access to federal and state grants for construction of a new hospital, which opened in 1969. That facility + was seriously damaged in the 1989 Loma Prieta earthquake. With +funding from the Federal Emergency Management Agency, the current facility, which replaced the 1969 facility and opened in + 1998, is sufficient to keep pace with the growing needs of the community. In 1998, the previously not-for-profit hospital was sold to a for-profit company, Community Health Systems (CHS). + The proceeds of the sale were contributed to a community trust, the Community Health Trust of Pajaro Valley. This trust also held a right of first refusal if CHS were to decide to sell the hospital.
 - (f) In 2015, Community Health Systems reorganized and formed a new subsidiary, Quorum Health Resources, consisting of its small hospitals. Facing financial difficulties, Quorum decided to

SB 418 —4—

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+ sell Watsonville Community Hospital in 2019, and the Community
+ Health Trust of Pajaro Valley had the option to acquire the
+ hospital. However, at that time the Community Health Trust of
+ Pajaro Valley decided not to purchase the hospital, and it was
+ sold to a company called Halsen Healthcare and the hospital
+ operated under a corporation named Watsonville Hospital
+ Corporation (WHC). The real estate for the hospital was purchased
+ by a subsidiary of Medical Properties Trust (MPT), a real estate
+ investment trust, and then leased back to WHC.

(g) In January 2021, MPT, after declaring numerous events of default, exercised its stock pledge and replaced the Halsen-appointed board of directors with a new independent board of directors, and the new board designated Prospect Medical Holdings as the new hospital manager. However, this change in management did not solve the hospital's liquidity crisis. To remain in operation, the hospital has had to borrow millions of dollars to address operating losses and the hospital remains in default on its operating loan from another subsidiary of MPT regarding the real property of the hospital.

(h) In 2020 and 2021, during the COVID-19 epidemic, with rising costs of labor and supplies, the hospital experienced significant financial losses. As of August 2021, WHC had a year-to-date cashflow shortfall of over \$17,000,000. It also fell into arrears in its obligations to suppliers, employees, and lenders.

- (i) Watsonville Community Hospital has been essential in serving its community's primarily low-income, underinsured, and uninsured populations of color for over a century and proved crucial in serving those disproportionately impacted by COVID-19 throughout the pandemic. This is evidenced by 43 percent of the hospital's gross revenue coming from the Medi-Cal program and an additional 30 percent of its gross revenue coming from the Medicare Program, serving the aged and disabled.
- (j) The Pajaro Valley Healthcare District Project (PVHDP), a nonprofit organization, was created by the County of Santa Cruz, the City of Watsonville, Salud Para La Gente, and the Community Health Trust of Pajaro Valley, for the purpose of forming a new California health care district. For several years, the partners of PVHDP have been concerned about the continuance of operations and the financial viability of Watsonville Community Hospital,

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SB 418

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+ and have been working together to explore the possibility of + community ownership.

- (k) PVHDP has initiated a process to establish and capitalize a local health care district to purchase the hospital on behalf of the community through the Chapter 11 bankruptcy/restructuring process commenced by WHC, to prevent the hospital's closure and loss of critical community services. With strong community and stakeholder support, the PVHDP partners are well positioned to engage the Legislature, the Governor, and private funders. In addition, WHC and PVHDP intend to seek emergency funding from public and private entities to support the short-term operating capital needs of the hospital and eventual acquisition of the hospital.
- (l) If PVHDP cannot raise sufficient funds to acquire and operate the hospital, WHC intends to close the hospital and liquidate the assets. For this reason, PVHDP believes it is critical to the health and welfare of the community that it will be able to keep this important hospital open under the stewardship of the community, rather than under another for-profit operator. To do this, it is imperative that emergency funding and urgency legislation be considered immediately in the 2021–22 legislative session.
- (m) It is necessary to permit the formation of the Pajaro Valley Health Care District for the above-described purposes.
- SEC. 2. Chapter 9 (commencing with Section 32498.5) is added to Division 23 of the Health and Safety Code, to read:

CHAPTER 9. PAJARO VALLEY HEALTH CARE DISTRICT

32498.5. (a) A local hospital district designated as the Pajaro Valley Health Care District is hereby formed within the Counties of Santa Cruz and Monterey. The Pajaro Valley Health Care District may be organized, incorporated, and managed as provided in this division, and may exercise the powers granted or necessarily implied by this division, only if the relevant county board of supervisors chooses to appoint an initial board of directors, as described in Section 32100. All other provisions of this division apply to the Pajaro Valley Health Care District, except as provided in this chapter.

SB 418

-6-

(b) The territory of the district shall be the following area: + Situated in the Counties of Santa Cruz and Monterey, State of +California; being all the lands within the boundary of the Pajaro +Valley Unified School District, excepting the lands to the north + and west of the following described line: beginning at a point on + the edge of the Pacific Ocean at the intersection with the projected +centerline of Aptos Beach Drive; thence along said projected + centerline to the intersection of the centerline of Aptos Beach Drive + and the centerline of Rio Del Mar Boulevard; thence along the + centerline of Rio Del Mar Boulevard in a northeasterly direction +to the intersection of the centerline of Rio Del Mar Boulevard and + the centerline of Bonita Drive; thence along the centerline of +Bonita Drive in a westerly direction to the intersection of the centerline of Bonita Drive and the centerline of Freedom + Boulevard; thence along the centerline of Freedom Boulevard in a northerly and easterly direction to the intersection of the +centerline of Freedom Boulevard and the centerline of Hames + Road; thence along the centerline of Hames Road in an easterly direction to the end of the centerline of Hames Road and the +beginning of the centerline of Browns Valley Road; thence along + the centerline of Browns Valley Road in a northerly and easterly direction to the end of the centerline of Browns Valley Road and + the beginning of the centerline of Hazel Dell Road; thence along +the centerline of Hazel Dell Road in an easterly and southerly direction to the intersection of the centerline of Hazel Dell Road \pm and the centerline of Mount Madonna Road; thence along the + centerline of Mount Madonna Road in a southerly direction to the +intersection of the centerline of Mount Madonna Road and the + centerline of Gaffey Road; thence along the centerline of Gaffey +Road 1300 feet, more or less, in an easterly direction to a point on the centerline of Gaffey Road; thence leaving the centerline of + Gaffey Road 90 feet, more or less, in a northeasterly direction to +a point on the Santa Cruz County line. +

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(c) Following the formation of the district, the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000 (Division 3 (commencing with Section 56000) of Title 5 of the Government Code) governs any change of organization.

32498.6. (a) Notwithstanding any other law, within five years of the date of the first meeting of the Board of Directors of the Pajaro Valley Health Care District, the board of directors shall

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Page 1

Page 2

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SB 418

RN 22 02092 11 01/05/22 04:18 PM SUBSTANTIVE

adopt a resolution to divide the district into zones and number the
 zones consecutively.

- (b) In establishing these zones, the board of directors shall provide for representation in accordance with demographic and geographic factors of the entire area of the district, including population factors. The board of directors shall fix the time and place for a hearing on the proposed establishment of zones. At this hearing, any elector of the district may present their views and plans in relation to the proposed zoning, but the board of directors shall not be bound thereby and their decision, in the resolution adopted, shall be final.
- (c) The zones shall be effective for the next district election after the resolution of the board of directors for which there is time to implement the zones and elections within the zones.
- SEC. 3. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique circumstances surrounding the operation of the Watsonville Community Hospital.
- SEC. 4. This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the California Constitution and shall go into immediate effect. The facts constituting the necessity are:

The imminent financial collapse of the Watsonville Community Hospital is a serious threat to the public health and safety of the residents of the region, as it is one of two hospitals serving the County of Santa Cruz and the only hospital serving the City of Watsonville and surrounding area. An urgency statute to form a local health care district is necessary to allow local officials the opportunity to purchase the Watsonville Community Hospital and ensure the continuance of hospital operations at the earliest possible time.

SECTION 1. Section 30968 of the Public Resources Code is amended to read:

30968. This division shall remain in effect only until January 1, 2028, and as of that date is repealed, unless a later enacted statute, that is enacted before January 1, 2028, deletes or extends that date.

Amendment 4

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