

Those persons wishing to speak on any item, whether or not it is included on the agenda, are requested to fill out and submit to the Clerk of the Board a "Request to Speak" form. Thank you.

It is the intention of the Chino Valley Independent Fire District to comply with the Americans with Disabilities Act (ADA) in all respects. If, as an attendee or a participant at this meeting, you will need special assistance beyond what is normally provided, the Chino Valley Independent Fire District will attempt to accommodate you in every reasonable manner. Please contact the Administration Office (909) 902-5260 at least forty-eight (48) hours prior to the meeting to inform us of your particular needs and to determine if accommodation is feasible. Please advise us at that time if you will need accommodations to attend or participate in meetings on a regular basis.

Any public record, relating to an open session agenda item, that is distributed within 72 hours prior to the meeting is available for public inspection at the District's Administrative Headquarters, 14011 City Center Drive, Chino Hills, CA 91709.

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
*Special Meeting - Standing Committee Meeting*  
*Legislative Committee*

Administrative Headquarters  
14011 City Center Drive  
Chino Hills, CA 91709

Tuesday, June 6, 2023

9:00 a.m. - Open Session

**AGENDA**

ROLL CALL

FLAG SALUTE

INVOCATION

Chaplain Henry Aguilar

PUBLIC COMMUNICATIONS

This is the time and place for the general public to address the Committee about subjects that do not appear elsewhere on the agenda. The public may address items on the agenda at the time addressed by the Committee.

Due to Board policy and Brown Act requirements, action may not be taken on any issue on the agenda. When you address the Committee, please state your name and address (optional) prior to making your remarks. Please limit your comments to 3 minutes.

## MINUTES

1. MINUTES – April 10, 2023 – Meeting.

OLD BUSINESS - None

## NEW BUSINESS

2. SENATE BILL 252 (GONZALEZ)

Purpose is for the Legislative Committee to review proposed legislation on Senate Bill 252 (Gonzalez) relating to public retirement systems; fossil fuels; divestment and provide direction to staff.

3. CSDA LEGISLATIVE COMMITTEE AGENDA FOR JUNE 2023

Purpose is for the Legislative Committee to review the California Special Districts Association (CSDA) Legislative Committee Agenda for June 2023 and provide direction to staff.

4. LEGISLATIVE UPDATE BY ROJAS COMMUNICATIONS GROUP

Purpose is for the Legislative Committee to receive a legislative update from Rojas Communications Group.

## LEGISLATIVE COMMITTEE MEMBER COMMENTS

## ADJOURNMENT

I, Angela Robles, Clerk of the Board, on behalf of the Board of Directors, do hereby certify that a copy of this agenda has been posted by 6:00 p.m., on Friday, June 2, 2023.

*Angela Robles*

Angela Robles, Clerk of the Board

**MINUTES 1.**

**CHINO VALLEY INDEPENDENT FIRE DISTRICT  
LEGISLATIVE COMMITTEE**

**NO STAFF REPORT**

Minutes – April 10, 2023 Regular Meeting

**ATTACHMENTS:**

Minutes – April 10, 2023 - Meeting

**CHINO VALLEY INDEPENDENT FIRE DISTRICT**  
*Special Meeting - Standing Committee Meeting*  
*Legislative Committee*

Administrative Headquarters  
14011 City Center Drive  
Chino Hills, CA 91709

Monday, April 10, 2023  
8:00 a.m. Committee Meeting

**MINUTES**

CALL TO ORDER

President DeMonaco called the meeting to order at 8:00 a.m. He explained the process for members of the public to participate in the meeting and provide public comment.

ROLL CALL

President John DeMonaco  
Director Mike Kreeger  
Fire Chief Dave Williams  
Clerk of the Board Angela Robles  
Deputy Clerk of the Board Ariana Cisneros

FLAG SALUTE

President John DeMonaco led the flag salute.

INVOCATION

Chaplain Henry Aguilar provided the invocation.

CHANGES TO THE AGENDA

Clerk of the Board Robles stated that there were no changes.

PUBLIC COMMUNICATIONS

There were no requests to speak.

OLD BUSINESS

None.

NEW BUSINESS

1. DISCUSSION OF AB 557 (HART) – EMERGENCY REMOTE MEETINGS  
Purpose is for the Legislative Committee to discuss California Special District's request for support of Assembly Bill 557 related to emergency remote meeting procedures under the Ralph M. Brown Act and consider a letter of support.

President DeMonaco provided a summary of the bill that proposes to extend the provisions of Assembly Bill 361 to conduct remote meetings during emergencies and requires approval of a resolution by the legislative body recognizing the continued emergency every 45 days.

President DeMonaco asked if there was Public comment.

There was no request from the public to speak on this item.

President DeMonaco asked for Committee comment.

The Legislative Committee agreed to support California Special Districts Association's (CSDA) request for a letter of support of Assembly Bill 557 related to emergency remote meeting procedures under the Ralph M. Brown Act and authorized staff to submit the letter of support to CSDA.

#### LEGISLATIVE COMMITTEE COMMENTS

The Legislative Committee directed staff to schedule a meeting later this month and prior to the California Special Districts Association (CSDA) Legislative Committee meeting to review their agenda.

#### ADJOURNMENT

The meeting was adjourned at 8:30 a.m.

**CHINO VALLEY INDEPENDENT FIRE DISTRICT  
STAFF REPORT**

**DATE: JUNE 2, 2023**

**TO: LEGISLATIVE COMMITTEE**

**FROM: DAVE WILLIAMS, FIRE CHIEF**

**SUBJECT: SENATE BILL 252 (GONZALEZ)**

**PURPOSE:**

Purpose is for the Legislative Committee to review proposed legislation on Senate Bill 252 (Gonzalez) relating to public retirement systems; fossil fuels; divestment.

**BACKGROUND:**

As stated in the attached report of bill analysis tiled Senate Rules Committee, Senate Bill 252 (Gonzalez) “prohibits the California Public Employees’ Retirement System (CalPERS) and the California State Teachers’ Retirement System (CalSTRS) from investing in the 200 largest fossil fuel companies as determined by carbon content in the companies’ proven oil, gas, and coal reserves effective January 1, 2024, and requires the systems to divest existing investments in the companies on or before July 1, 2031.

On April 12, 2023, the Senate Labor, Public Employment and Retirement Committee passed the bill and referred it to the Senate Judiciary Committee. On April 18, 2023, the Senate Judiciary Committee passed the bill as amended and referred it to the Committee on Appropriations. The bill was placed on the Suspense File of the Senate Appropriations Committee on May 1, 2023, for consideration of the fiscal impact. The bill was then passed on May 18, 2023, as amended by the Senate Appropriations Committee. On May 25, 2023, it was passed by the Senate. The next step in the legislative process is for the bill to pass the Assembly before being sent to the Governor for consideration.

**RECOMMENDATION:**

It is recommended that the Legislative Committee review proposed legislation on Senate Bill 252 (Gonzalez) relating to public retirement systems; fossil fuels; divestment and provide direction to staff.

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THIRD READING

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Bill No: SB 252  
Author: Gonzalez (D), Stern (D) and Wiener (D)  
Amended: 5/18/23  
Vote: 21

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SENATE LABOR, PUB. EMP. & RET. COMMITTEE: 4-1, 4/12/23  
AYES: Cortese, Durazo, Laird, Smallwood-Cuevas  
NOES: Wilk

SENATE JUDICIARY COMMITTEE: 8-2, 4/18/23  
AYES: Umberg, Allen, Ashby, Durazo, Laird, McGuire, Min, Wiener  
NOES: Wilk, Niello  
NO VOTE RECORDED: Caballero

SENATE APPROPRIATIONS COMMITTEE: 4-2, 5/18/23  
AYES: Portantino, Ashby, Wahab, Wiener  
NOES: Jones, Seyarto  
NO VOTE RECORDED: Bradford

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**SUBJECT:** Public retirement systems: fossil fuels: divestment

**SOURCE:** California Faculty Association  
Fossil Free California

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**DIGEST:** This bill prohibits the California Public Employees' Retirement System (CalPERS) and the California State Teachers' Retirement System (CalSTRS) from investing in the 200 largest fossil fuel companies as determined by carbon content in the companies' proven oil, gas, and coal reserves effective on January 1, 2024, and requires the two systems to divest existing investments in the companies on or before July 1, 2031.

**ANALYSIS:**

## Existing law:

- 1) Provides, pursuant to the California Constitution, that the boards of California's public retirement systems have "plenary authority and fiduciary responsibility for [the] investment of monies and administration of the system." (Cal. Const., art. XVI, § 17)
- 2) Provides under the California Constitution that "the members of the retirement board of a public pension or retirement system shall discharge their duties with respect to the system solely in the interest of, and for the exclusive purposes of providing benefits to, participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the system...[and] the board shall diversify the investments of the system so as to minimize the risk of loss and to maximize the rate of return unless under the circumstances it is clearly not prudent to do so." (Cal. Const., art. XVI, § 17)
- 3) Provides that the Legislature retains its authority to, by statute, "continue to prohibit certain investments by a retirement board where it is in the public interest to do so, and provided that the prohibition satisfies the standards of fiduciary care and loyalty required of a retirement board pursuant to this section." (Cal. Const., art. XVI, § 17)
- 4) Prohibits CalPERS and CalSTRS, under previous legislative mandates, from making or holding certain investments in Iran, Sudan, Turkey, in businesses discriminating against Israel related to the Arab Boycott of Israel, and in thermal coal companies. (Government Code §7513.6 et seq.)

## This bill:

- 1) Prohibits CalPERS and CalSTRS from making additional or new investments or renewing existing investments of public employee retirement funds in a fossil fuel company.
- 2) Requires the two retirement boards to liquidate existing investments in a fossil fuel company on or before July 1, 2031.
- 3) Provides that the requirement to liquidate investment in fossil fuel companies may be suspended upon a good faith determination by the board that an act of God, war, or other unforeseeable event creates conditions that materially impact normal market mechanisms for pricing assets and shall only be reinstated upon a subsequent good faith finding of the board that market conditions have



substantially returned to normal ex-ante. Upon such a finding, the board shall have six months to liquidate any remaining investments in a fossil fuel company.

- 4) Defines “Fossil fuel” to mean petroleum oil, natural gas, and thermal coal. Thermal coal is coal used to generate electricity, such as that which is burned to create steam to run turbines. Thermal coal does not mean metallurgical coal or coking coal used to produce steel.
- 5) Defines “Fossil fuel company” to mean one of the 200 largest publicly traded fossil fuel companies, as established by carbon content in the companies’ proven oil, gas, and coal reserves.
- 6) Requires each board to report on the status of their fossil fuel investments commencing February 1, 2025, and annually thereafter.
- 7) Exempts each board from taking action unless they determine in good faith that the actions are consistent with their fiduciary duty.
- 8) Indemnifies from the General Fund each retirement board’s members and other specified persons from liability associated with claims and losses that may arise due to the bill’s provisions.

### **Related/Prior Legislation**

SB 637 (Min, 2023) prohibits a state agency from entering into a contract with, depositing state funds with, or receiving a loan from a financial institution that invests in or makes loans to a company that manufactures firearms or ammunition. The Senate Rules Committee referred this bill to the Senate Governmental Organization Committee and the Senate Banking and Financial Institutions Committee.

SB 1173 (Gonzalez, 2022) was identical to SB 252 (Gonzalez, 2023). The bill died in the Assembly Public Employment and Retirement Committee.

SB 1328 (McGuire 2022) would have banned investments by public pension funds in companies doing business in Russia and Belarus and prohibited state agencies from investing in or contacting with Russian and Belarusian companies. The bill died in the Assembly Public Employment and Retirement Committee.

SB 185 (De León, Chapter 605, Statutes of 2015) prohibited the respective CalPERS and CalSTRS boards from making new or additional investments of

public employee retirement funds in thermal coal companies and requires the boards to engage with thermal coal companies, as specified.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: No

According to the Senate Appropriations Committee:

- CalPERS indicates that, as of December 31, 2022, the publicly traded securities in its portfolio that meet the criteria of a “fossil fuel company” as defined in the bill totaled \$9.4 billion. Divesting from these securities and investing in alternatives would result in one-time transactions costs of \$75 million to \$125 million (Public Employees Retirement Fund). CalPERS notes that every dollar that is foregone, or expended on transaction costs and fees, must be offset by employer and employee contributions. Administrative costs would be in the hundreds of thousands of dollars annually to identify the target companies, engage with a consultant, engage outside fiduciary counsel, establish an ongoing tracking and screening process, prepare and transmit associated Legislative reporting, and to ensure oversight and compliance.
- STRS invests in 159 companies with a combined market value of approximately \$5.4 billion that meet the bill’s criteria. STRS indicates that it would incur costs of \$31 million (State Teachers Retirement Fund) resulting from transaction costs for liquidating securities, benchmark modification costs, additional costs related to external research services and staff resources for implementation.
- The pension systems may additionally incur opportunity costs if suitable alternative investments are unavailable.

**SUPPORT:** (Verified 5/19/23)

California Faculty Association (co-source)

Fossil Free California (co-source)

California State Treasurer

1000 Grandmothers for Future Generations

1000 Grandmothers, Bay Area

350 Bay Area Action

350 Chico

350 Conejo

350 Conejo / San Fernando Valley

350 East Bay

350 Humboldt

350 Humboldt: Grass Roots Climate Action  
350 Marin  
350 Sacramento  
350 South Bay Los Angeles  
350 Southland Legislative Alliance  
350 Ventura County Climate Hub  
Active San Gabriel Valley  
AFSCME  
Aft 1521  
Aft 1521 E Board  
Alameda County Democratic Party  
Albany Teachers Association  
Alliance of Nurses for Healthy Environments  
Ban Single Use Plastic  
Bay Area-System Change Not Climate Change  
Bay Faculty Association  
Black Women for Wellness  
Board of Supervisors for the City and County of San Francisco  
Breast Cancer Action  
California Climate Voters  
California Community College Independents  
California Environmental Voters  
California Federation of Teachers, AFL-CIO  
California Green New Deal Coalition  
California Interfaith Power and Light  
California Nurses Association  
California Nurses for Environmental Health and Justice  
California Public Interest Research Group  
California State University Long Beach  
Cascadia Climate Action Now  
Center for Biological Diversity  
Center for Community Energy  
Center on Race, Poverty & the Environment  
Central Valley Air Quality Coalition  
Change Begins With Me  
City of Berkeley  
City of Brisbane  
City of Pasadena  
Clean Earth 4 Kids  
Cleaneart4kids.org

Climate Action California  
Climate Action Campaign  
Climate Action Now UCLA  
Climate Crisis Action Team, Unitarian Universalist Church of Davis  
Climate Equity Policy Center  
Climate First: Replacing Oil & Gas  
Climate Hawks Vote  
Climate Health Now  
Climate Organizing Hub  
Climate Reality Leaders / San Francisco  
Climate Reality Project, Los Angeles Chapter  
Climate Reality Project, San Fernando Valley  
Coastside Jewish Community  
Congregation Shir Ami Dayenu Circle  
Consumer Watchdog  
Converging Storms Action Network  
Cool Davis  
Courage Campaign  
CTA Badass Teachers Association Caucus  
Culver City Democratic Club  
Dayenu: a Jewish Call to Climate Action  
Democratic Party of Contra Costa County  
Democrats of Pasadena Foothills  
Democrats of Rossmoor  
Divest NJ Coalition  
Duarte Unified Education Association  
Earth Care Alliance Sonoma Valley  
Earth Ethics, Inc.  
Earth Guardians  
Earth Guardians Bay Area Crew  
East Valley Indivisibles  
El Pueblo Para El Aire Y Agua Limpia De Kettleman City  
Elders Climate Action, NorCal and SoCal Chapters  
Environmental Working Group  
Equity Transit  
Extinction Rebellion San Francisco Bay Area  
Faculty Association of California Community Colleges  
Feminists in Action  
Feminists in Action Los Angeles  
Food & Water Watch

Foothill-De Anza Community College District  
Fridays for Future  
Fridays for Future Sacramento  
Friends Committee on Legislation of California  
Friends of the Earth  
Greenlining Institute  
Greenpeace USA  
Ground Game LA  
Harmony Union Teachers Association  
Health Officers Association of California  
Health Professionals for Equality and Community Empowerment  
Healthy Environment for All Lives  
Human Rights Working Group, First Unitarian Universalist Society of San Francisco  
Humboldt Unitarian Universalist Fellowship's Climate Action Campaign  
Indivisible CA StateStrong  
Indivisible Sacramento  
Indivisible San Francisco  
Indivisible Yolo  
Labor Network for Sustainability  
LACCD Sustainability Institute  
Let's Green CA!  
Los Angeles Community College District  
Maine Youth Action  
Napa Climate Now  
National Resources Defense Council  
Natural Resources Defense Council  
North Bay Electric Auto Association  
Northern California Recycling Association  
Oakland Education Association  
Oil & Gas Action Network  
Our Revolution-feel the Bern, Los Angeles County  
Pacifica Climate Committee  
Physicians for Social Responsibility - San Francisco Bay Area Chapter  
Pierce College  
Pierce College Sustainability Committee  
Protect Playa Now!  
Public Health Advisory Council, Climate Actions Campaign  
Puvunga Wetlands Protectors  
Queers 4 Climate

Regenerating Paradise  
San Bernardino Valley Audubon Society  
San Diego 350  
San Diego Pediatricians for Clean Air  
San Diego Physicians for Clean Air  
San Fernando Valley Chapter of Climate Reality Project  
San Francisco Bay Area Physicians for Social Responsibility  
San Francisco Baykeeper  
San Francisco Board of Supervisors  
Santa Barbara Standing Rock Coalition  
Santa Cruz Climate Action Network  
Saphron Initiative  
Schools for Climate Action  
SEE-LA - Sustainable Economic Enterprises of Los Angeles  
Sierra Club California  
Silicon Valley Youth Climate Action  
Socal350 Climate Action  
Social Compassion in Legislation  
Social Eco Education  
SolidarityINFOService  
Sonoma Valley Earth Care Alliance  
South Bay Progressive Alliance  
Stand.earth  
Sunflower Alliance  
Sustainable Rossmoor  
System Change Not Climate Change  
The Climate Center  
The Green Team at Francis Parker School  
The Greenlining Institute  
The Leap Institute  
The River Project  
The Santa Monica Democratic Club  
Third ACT  
Third ACT Educators  
Tiaa Divest! From Climate Destruction  
Town of Fairfax  
Transition Sebastopol  
Twin Hills Teachers Association  
UC Green New Deal Coalition  
United Educators of San Francisco

Youth Climate Strike Los Angeles  
Youth vs. Apocalypse  
Zero Hour  
Two individuals

**OPPOSITION:** (Verified 5/18/23)

Association of California Cities - Orange County  
California Independent Petroleum Association  
California Professional Firefighters  
California Public Employees' Retirement System  
California School Boards Association  
California School Employees Association  
California Special Districts Association  
California State Teachers' Retirement System  
City of Lake Forest  
City of Newport Beach  
City of Tustin  
County of Fresno  
League of California Cities  
Los Angeles County Business Federation  
Riverside Sheriffs' Association  
Rural County Representatives of California  
State Building and Construction Trades Council of California  
Western States Petroleum Association  
Two individuals

**ARGUMENTS IN SUPPORT:** According to Fossil Free California, “We have experienced unprecedented and continuing wildfires, droughts, flooding and other extreme weather events. Yet, as the state of California burns, teachers’ and public employees’ retirement money is still being invested in climate chaos. If carbon emissions aren’t drastically cut in the next 10 years, there is virtually no chance of avoiding climate disasters that will lead to mass death and displacement. CalSTRS’ and CalPERS’ continued investment in fossil fuels is physically and mentally damaging to students, retirees and public employees.”

According to a coalition of several non-governmental organizations, “CalSTRS and CalPERS have almost 9 billion invested in fossil fuel producers. A Corporate Knights study found that between 2009 and 2019 if CalPERS and CalSTRS had divested they would have gained \$11.9 and \$5.5 billion respectively. During the past seven years, the fossil fuel sector had the highest risk of all sectors, and was

the only sector to lose value. Divestment is entirely consistent with CalSTRS' and CalPERS' missions and fiduciary duties.”

According to the California Faculty Association, “SB 252 seizes the moment of the worldwide divestment movement and continues the bold and progressive actions that California must take to address climate change. SB 252 ends the contradictory and incongruous policies that position the state as a leader in the fight against climate change, while simultaneously investing billions in the fossil fuel companies that are causing climate change.”

**ARGUMENTS IN OPPOSITION:** According to the California State Teachers' Retirement System, “CalSTRS is focused on ensuring a secure retirement for California’s more than one million working and retired public school educators. Liquidating these investments would reduce the diversification of the portfolio and create deviation from the benchmark, increasing risk and creating potential opportunity costs, which would place the CalSTRS Funding Plan at risk. Any resulting costs would increase the unfunded liability and may also result in an increase in the state’s contribution to the Defined Benefit Program.”

According to the California Professional Firefighters, “The retirement and security of employees who choose to dedicate themselves to public service should not be determined by broad policies that are not the responsibility of a pension fund. SB 252 threatens the futures of California’s public employees, including thousands of firefighters who put their lives on the line every day to protect and serve the public, by prioritizing divestment ahead of the health of the fund.”

According to a coalition representing local public agencies and school boards, “In order to improve the funded status of our employees’ pension funds, it is critical that CalPERS and CalSTRS have healthy investment returns. Recent market turmoil demonstrates the challenges to achieving those returns – *CalPERS’ funded status declined more than 9%, from approximately 81.2% down to 72%, during the fiscal year ended June 30, 2022.* Divestment makes achieving the returns needed to maintain plan health more challenging.”

Prepared by: Glenn Miles / L., P.E. & R. / (916) 651-1556  
5/23/23 13:28:02

\*\*\*\* END \*\*\*\*



**NEW BUSINESS 3.**

**CHINO VALLEY INDEPENDENT FIRE DISTRICT  
LEGISLATIVE COMMITTEE**

**NO STAFF REPORT**

3. CSDA LEGISLATIVE COMMITTEE AGENDA FOR JUNE 2023

Purpose is for the Legislative Committee to review the California Special Districts Association (CSDA) Legislative Committee Agenda for June 2023 and provide direction to staff.

**NEW BUSINESS 4.**

**CHINO VALLEY INDEPENDENT FIRE DISTRICT  
LEGISLATIVE COMMITTEE**

**NO STAFF REPORT**

4. LEGISLATIVE UPDATE BY ROJAS COMMUNICATIONS GROUP

Purpose is for the Legislative Committee to receive a legislative update from Rojas Communications Group.