



January 2025 - #012

CDCA Newsletter

1. CDCA in 2025: Changing Times for Defense Communities

As we navigate the challenges and uncertainties of our times, our commitment to supporting local military bases across California remains steadfast. The recent wildfires have left a profound impact on our communities, leading to significant loss of housing and an urgent need for rebuilding. Coupled with the evolving policies of a new federal administration, these changes are poised to substantially affect the Department of Defense and, by extension, our military bases. We are diligently monitoring these developments and are prepared to take decisive action to safeguard the interests of our military members and the communities that support them. Now, more than ever, collaboration is key.

We urge everyone to join us in working closely with elected officials and community leaders to ensure a unified and effective response. Our mission is clear: to support, promote, and represent the interests of Defense Organizations throughout California, while advocating for those who serve or have served. Together, we can navigate these challenges and emerge stronger.

We look forward to seeing you in October 2025 at the California Summit at the Installation Innovation Forum in Monterey, California. Detailed information will be provided as plans are finalized.

2. CDCA 2024 Update: California Defense Communities Alliance Leads ADC Installation Innovation Forum Meeting

During the Association of Defense Communities Installation Innovation Forum held in San Antonio, the California Defense Communities Alliance (CDCA) held a session to discuss California interests. About 50 attended the October 29th lunch session. Attendance representing a cross section of military community interests community organizations, military bases, housing providers, school districts, water agencies and others.



Speakers included Gene Fisher (Regional Defense Partnership), Hans Uslar (City Manager of Monterey), Patrick O’Brien (OLDCC), Eileen Sanchez (Governor’s Office of Land Use and Climate Innovation), and Vice Admiral (retired) Jody Breckenridge (GMC).

Presentations provided updates on California Defense Communities Alliance and matters of interest to the California military community.

More than a dozen nonprofit organizations formed the CDCA in 2019 with the shared mission of supporting Department of Defense presence in communities throughout California while advocating on behalf of active duty and veterans in their communities.

Organizations work together under the CDCA umbrella to advance collaboration and communication among the military, elected officials, and other community leaders to enhance an understanding of the many contributions Defense organizations make to California.

Nonprofit organizations can significantly enhance their effectiveness and impact by collaborating through an umbrella organization. This partnership allows them to pool resources, expertise, and networks, creating a powerful collective voice for advocacy at the state level. Key advantages include amplified advocacy through coordinated campaigns, resource sharing to improve efficiency, enhanced networking opportunities, and increased access to funding. Additionally, collaboration streamlines operations, fosters collective learning and capacity building, and enables unified messaging that strengthens public trust and support. Ultimately, such collaboration helps nonprofits better represent their interests and achieve greater impact in pursuit of shared goals.

3. California 2024/2025 Legislation

New California bills submitted recently include:

Senate Bill 1 Personal income taxes: exclusion: Military Services Retirement and Surviving Spouse Benefit Payment Act.

SB 1, as introduced, Seyarto. Personal income taxes: exclusion: Military Services Retirement and Surviving Spouse Benefit Payment Act.

The Personal Income Tax Law imposes a tax on individual taxpayers measured by the taxpayer's taxable income for the taxable year, but excludes certain items of income from the computation of tax, including an exclusion for combat-related special compensation.

This bill, for taxable years beginning on or after January 1, 2024, and before January 1, 2034, would exclude from gross income retirement pay received by a taxpayer from the federal government for service performed in the uniformed services, as defined, during the taxable year. The bill, for taxable years beginning on or after January 1, 2024, and before January 1, 2034, would also exclude from gross income annuity payments received by a qualified taxpayer, as defined, pursuant to a United States Department of Defense Survivor Benefit Plan during the taxable year. The bill would make related findings and declarations.

Existing law requires any bill authorizing a new tax expenditure to contain, among other things, specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements.

This bill also would include additional information required for any bill authorizing a new tax expenditure. The bill would require the Franchise Tax Board and the Department of Veterans Affairs to provide any data requested by the Legislative Analyst to write the report, as provided, and would make taxpayer information received by the Legislative Analyst subject to limitation on the collection and use of that information. By expanding the scope of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason. This bill would take effect immediately as a tax levy.

Assembly Bill 53 Personal income taxes: exclusion: Military Services Retirement and Surviving Spouse Benefit Payment Act.

AB 53, as introduced, Ramos. Personal income taxes: exclusion: Military Services Retirement and Surviving Spouse Benefit Payment Act.

The Personal Income Tax Law imposes a tax on individual taxpayers measured by the taxpayer's taxable income for the taxable year, but excludes certain items of income from the computation of tax, including an exclusion for combat-related special compensation.

This bill, for taxable years beginning on or after January 1, 2027, and before January 1, 2037, would exclude from taxable income retirement pay received by a taxpayer from the federal government for service performed in the uniformed services, as defined, during the taxable year. The bill, for taxable years beginning on or after January 1, 2027, and before January 1, 2037, would also exclude from taxable income annuity payments received by a qualified taxpayer, as defined, pursuant to a United States Department of Defense Survivor Benefit Plan during the taxable year. The bill would make related findings and declarations.

Existing law requires any bill authorizing a new tax expenditure to contain specific goals, purposes, and objectives that the tax expenditure will achieve, detailed performance indicators, and data collection requirements, as provided.

This bill also would include the information required for any bill authorizing a new tax expenditure. The bill would require the Franchise Tax Board and the Department of Veterans Affairs to provide any data requested by the Legislative Analyst to write a report, as provided, and would make taxpayer information received by the Legislative Analyst subject to a limitation, a violation of which is a crime, on that information's collection and use. By expanding the scope of a crime, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason. This bill would take effect immediately as a tax levy.⁴ Defense Spending by State

Assembly Bill 10 California Coastal Commission: consistency determinations: Vandenberg Space Force Base.

Existing law, the California Coastal Act of 1976, provides for the regulation of development of certain lands within the coastal zone, as defined. Under the act, the California Coastal Commission generally has primary responsibility for the implementation of the act and is designated as the state coastal zone planning and management agency for any and all purposes, and is authorized to exercise any and all powers set forth in the federal Coastal Zone Management Act of 1972 or any other federal act that relates to the planning or management of the coastal zone.

Existing federal law requires federal agency activity within or outside the coastal zone that affects any land or water use or natural resource of the coastal zone to be carried out in a manner that is consistent to the maximum extent practicable with the enforceable policies of approved state management programs, as defined. Existing federal law requires a consistency determination to contain specified information and outlines the process that follows a state agency objection to a federal agency's consistency determination.

This bill would deem the commission's objection to concurrence on Consistency Determination CD-0007-24 null and void. The bill would deem the activities at Vandenberg Space Force Base, outlined by Consistency Determination CD-0007-24, consistent with the objectives of the California Coastal Act of 1976. The bill would provide that it shall act as a concurrence regarding consistency with the California Coastal Act of 1976.

This bill would make legislative findings and declarations as to the necessity of a special statute for Vandenberg Space Force Base. This bill would declare that it is to take effect immediately as an urgency statute.

Assembly Bill 14: Coastal resources: Protecting Blue Whales and Blue Skies Program.

Existing law establishes the Ocean Protection Council in state government to, among other things, establish policies to coordinate the collection, evaluation, and sharing of scientific data related to coastal and ocean resources among agencies. Existing law requires the council to develop and implement a voluntary sustainable seafood promotion program for the state, to consist of specified components, including a competitive grant and loan program for eligible entities, including, but not limited to, fishery groups and associations, for the purpose of assisting California fisheries in qualifying for certification to internationally accepted standards for sustainable seafood.

This bill would, subject to the availability of funding, require the council to participate as a stakeholder, and in an advisory capacity, to the Protecting Blue Whales and Blue Skies Program with air pollution control districts and air quality management districts along the coast and other stakeholders to support, in an advisory capacity, coastal air districts in their efforts to implement a statewide voluntary vessel speed reduction and sustainable shipping program for the California coast in order to reduce air pollution, the risk of fatal vessel strikes on whales, and harmful underwater acoustic impacts. The bill would authorize the expansion of the existing Protecting Blue Whales and Blue Skies Program to include specified components, including incentives to program participants based on a percentage of distance traveled by a participating vessel at a reduced speed, as provided. The bill would limit application of the program to vessels that are 300 gross tons or greater. The bill would require the participating air pollution control districts and air quality management districts, on or before December 31, 2029, to submit a report to the Legislature regarding the implementation of the program.

Senate Bill 56 Property taxation: disabled veterans' exemption: household income.

The California Constitution provides that all property is taxable, and requires that it be assessed at the same percentage of fair market value, unless otherwise provided by the California Constitution or federal law. The California Constitution and existing property tax law provide various exemptions from taxation, including, among others, a disabled veterans' exemption. Under existing law, the disabled veterans' exemption exempts from taxation part of the full value of property that constitutes the principal place of residence of a veteran, the veteran's spouse, or the veteran and veteran's spouse jointly, and the unmarried surviving spouse of a veteran, as

provided, if the veteran incurred specified injuries or died while on active duty in military service, as described. Existing law exempts that part of the full value of the residence that does not exceed \$100,000, or \$150,000 if the household income of the claimant does not exceed \$40,000, as adjusted for inflation, as specified.

This bill would exclude disability payments from the definition of “household income” for purposes of the disabled veterans’ exemption. The bill would also correct an erroneous cross-reference in the above-described provisions. By imposing additional duties on local tax officials, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Existing law requires the state to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding those provisions, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill. This bill would take effect immediately as a tax levy.

Senate Bill 99 Family childcare homes: United States Armed Forces.

Existing law, the California Child Day Care Facilities Act, generally requires the State Department of Social Services to license and regulate various types of child daycare facilities, including, among others, daycare centers and family daycare homes. Under existing law, a willful or repeated violation of those provisions is a crime. Existing law exempts from those provisions various entities, including, among others, community care facilities, certain program facilities administered by the Department of Corrections and Rehabilitation, and extended daycare programs operated by public or private schools.

This bill would also exempt, from the above-described licensing provisions, a family childcare home administered by a person certified as a family childcare provider by a branch of the United States Armed Forces and that exclusively provides care for children of eligible federal personnel, as defined, and surviving spouses.

The bill would impose certain requirements on a military installation certifying exempt family childcare homes. The bill would require the military installation to annually file with the department a list of exempt but certified facilities; report to the department all incidents involving physical injury to, or death of, children attending the program; require providers to post a certain notice about the status of the facility and certify that the facility meets the health and safety requirements set forth in related state regulations, except for obtaining and

maintaining a license. The bill would also require each provider to meet certain criteria relating to, among other things, an emergency preparedness plan, inspections, and attendance records.

The bill would require the department to inspect those exempt family childcare homes to determine compliance with these provisions and to establish, by July 1, 2026, a policy for those family childcare homes.

The bill would require prioritization for annual inspections in the case of a facility that is subject to the requirements of the California Child Day Care Facilities Act, whether licensed or exempt from licensure, including, but not limited to, a family childcare home, if the facility is participating in a county quality improvement program through a certain quality rating improvement system, as part of participating in a fee assistance program administered by the United States Department of Defense.

4. Defense Spending Reports: Federal, State and Local

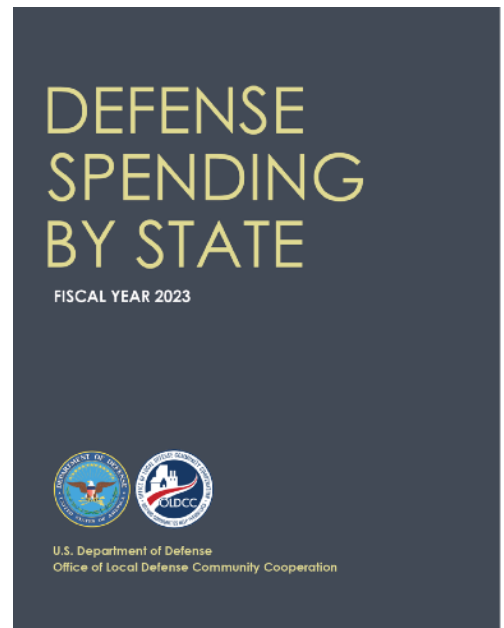
I. Federal Level Reporting The Office of Local Defense Community Cooperation issued the results of a state-by-state analysis of Department of Defense personnel, contractual, and grant spending during Fiscal Year 2023. The report *Defense Spending by State Fiscal Year 2023* can be used to assess a region's dependence on defense spending.

FY 2023 Overview: The DoD's budget authority increased from \$795.7 billion in FY 2022 to \$874.3 billion in FY 2023.¹ DoD contract obligations, grant obligations, and payroll spending in all 50 states and the District of Columbia totaled \$609.2 billion, approximately \$1,819 per U.S. resident and 2.2 percent of the country's GDP. Contracts for various products and services totaled \$431.4 billion, thus comprising the majority of the spending, while DoD personnel payroll accounted for \$167.4 billion, and DoD grant spending accounted for \$10.4 billion.

California Spending: California ranked first for grant spending (\$1.4 billion), second for personnel spending (\$18.2 billion) and third for contract spending at \$41.2 billion). This placed California third for overall spending (\$60.8 billion). Defense spending amounted to only 1.6% of California state GDP. Top three contractors in California were Northrop Grumman (\$3.8 billion), Centene (\$3.2 billion) and Lockheed Martin (\$2.1 billion).

The OLDCC report is available at: https://oldcc.gov/sites/default/files/defense-spending-rpts/OLDCC_DSBS_FY2023_FINAL_WEB_20240929.pdf

The California-specific report is available at: https://oldcc.gov/sites/default/files/2024-10/FY2023_Defense_Spending_CA.pdf



II. California Reporting The California State Library California Research Bureau recently published the detailed report *2024 California Statewide National Security Economic Impacts Study* (October 2024) which is available at: https://www.library.ca.gov/wp-content/uploads/crb-reports/2024_California_Statewide_MEIS.pdf



The six key findings are: (1) National security activity generates 810,000 full time equivalent jobs for residents of California. (Direct employment is 60,000 civilians, 161,000 active duty and 53,000 reserve/National Guard; Veterans Affairs and Homeland Security add 62,000). (2) National security activity produces \$196.7 billion in economic impact (3) The economic impacts of national security activity were felt across industries. (4) California is home to more security-related employment than any other state, third in spending. (5) National security activity generates \$31.7 billion in tax revenue for federal, state and local governments. (6) Including a portion of the Department of Energy’s activities would increase total economic activity in California by approximately \$5.5 billion.

III. Regional Reporting: San Diego For a third (and more localized) view, San Diego Military Advisory Council published the *2024 Military Impact Report* prepared in conjunction with the Rady School of Management at the University of California San Diego. The report identifies \$40.5 billion direct spending with 369,000 jobs in San Diego resulting in a gross regional product of \$63.2 billion representing 23.7% of spending.



This report is available at: <https://sdmac.org/wp-content/uploads/2024/10/SDMAC-2024-MEIR.pdf>

All three reports are well worth reading since the strong and positive impact of military spending may be lost in news reporting and discussions on the economy.

SDMAC 2024 MILITARY ECONOMIC IMPACT REPORT

5. CDCA Benefits From Your Base Support Group Membership



About CDCA: More than a dozen nonprofit organizations formed the California Defense Communities Alliance (CDCA) with the shared mission of supporting Department of Defense presence in communities throughout California while advocating on behalf of active duty and veterans in their communities. Organizations work together under the CDCA umbrella to advance collaboration and communication among the military, elected officials, and other community leaders to enhance an understanding of the many contributions Defense organizations make to California.

CDCA mission is to support, promote, and represent the interests of our Defense Organizations throughout California while advocating on behalf of those that serve or have served in these organizations. CDCA will advance the collaboration and communication between the military, our elected and appointed officials, and our communities while working to enhance the recognition of the many contributions Defense Organizations make to California and our Nation.

CDCA provides for collaboration and co-ordination between California community defense support groups that will enhance the effectiveness of each group and the State of California in bringing the best possible support and retention of the Military and local Bases in California.

Mission: CDCA mission is to support, promote, and represent the interests of our Defense Organizations throughout California while advocating on behalf of those that serve or have served in these organizations. CDCA will advance the collaboration and communication between the military, our elected and appointed officials, and our communities while working to enhance the recognition of the many contributions Defense Organizations make to California and our Nation.

Benefits: When nonprofit organizations with similar goals work together through or belong to an umbrella organization, they can significantly enhance their effectiveness and impact. Here are several ways in which this collaboration can be advantageous:

- **Collective Strength:** By joining forces, nonprofit organizations can pool their resources, expertise, and networks, creating a more powerful collective voice.

- **Amplified Advocacy:** An umbrella organization representing multiple nonprofits can consolidate their advocacy efforts. This centralization enables coordinated campaigns, lobbying initiatives, and public awareness campaigns, maximizing their impact on legislative decisions and public opinion.

- **Resource Sharing:** Collaborating nonprofits can share knowledge, best practices, and resources.

- **Enhanced Networking:** Belonging to an umbrella organization provides nonprofits with expanded networking opportunities. This networking facilitates knowledge sharing, partnerships, and collaborations, fostering innovation and fostering collective problem solving.

- **Increased Funding Opportunities:** An umbrella organization can help its member nonprofits access funding opportunities that may not be available to them individually. By combining their efforts, they can apply for larger grants, launch joint fundraising campaigns, and attract more significant financial support

- **Collective Learning and Capacity Building:** By working together, nonprofits can engage in collective learning and capacity building initiatives. They can organize workshops, training programs, and conferences to enhance their skills and knowledge in areas relevant to their shared goals.

- **Unified Messaging:** When multiple nonprofits unite under an umbrella organization, they can develop a unified messaging strategy. This ensures consistency and clarity in communicating their goals, values, and impact to stakeholders, including the public, policymakers, and donors..

For membership, see the CDCA web site www.cadefensecommunitiesalliance.org or contact any Executive Board member. Community support organizations, local government support organizations and individuals may be members. Any businesses/commercial corporations that support the goals and purposes of CDCA can be a member of CDCA. There are no voting rights connected to this membership.

6. CDCA Contact Information

Complete Information on CDCA and Membership is available on our Web Site:
www.cadefensecommunitiesalliance.org.

Twitter: @CaDefenseComm.

Mailing address is 1017 “L” Street #398, Sacramento, CA 95814

Key points of contact: Co-chair is Hans Uslar (uslar@monterey.org) of Monterey Bay Defense Alliance. (One Co-chair position is currently vacant.) Treasurer is Sandy Person (sandy@solanoedc.org) of Travis Community Consortium. Secretary is Gene Fisher (grfisher@rdp21.org) of Regional Defense Partnership.

7. Tools and Resources

OLDCC *Defense Spending by State* report:

https://oldcc.gov/sites/default/files/defense-spending-rpts/OLDCC_DSBS_FY2023_FINAL_WEB_20240929.pdf

The OLDCC California-specific report:

[https://oldcc.gov/sites/default/files/2024-10/FY2023 Defense Spending_CA.pdf](https://oldcc.gov/sites/default/files/2024-10/FY2023%20Defense%20Spending_CA.pdf)

California State Library report *2024 California Statewide National Security Economic Impacts Study*:

https://www.library.ca.gov/wp-content/uploads/crb-reports2024_California_Statewide_MEIS.pdf

California Legislation text and status:

<https://leginfo.legislature.ca.gov/>

Membership

For membership, see the CDCA web site www.cadefensecommunitiesalliance.org or contact any Executive Board member. Community support organizations, local government support organizations and individuals may be members.

New: Commercial Organization Membership: Any businesses/commercial corporations that support the goals and purposes of CDCA can be a member of CDCA. There are no voting rights connected to this membership.

- Membership dues for these organizations are based on number of employees in California. Dues are established annually by the Executive Board prior to CDCA Fiscal year. There are four levels of dues based on organizations employees in California:
 - \$500.00 annually for Companies with ~50 or less employees
 - \$750.00 annually for Companies with ~500 or less employees
 - \$1200.00 annually for Companies with ~1000 or less
 - \$3000.00 annually for Companies with Greater than 1000.
- Benefits:
 - Participation in all CDCA Events.
 - Participation in planning sessions and goal setting meetings.
 - Ability to serve on advisory Committees.
 - Use of CDCA Logo in advertising their community support/outreach.
 - Receive CDCA Information and Newsletters.
 - Company logo on CDCA Website.