

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate  
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RE: 2020 November Update

DATE: November 30, 2020

The California State Legislature will begin the new legislative session on December 7th, 2020 when new Legislators will be officially sworn in. Members will then elect the Speaker in the Assembly and the President Pro Tempore in the Senate, adopt house rules and then recess until January 4, 2021. Governor Newsom will need to submit the State Budget by January 10<sup>th</sup>, while bill introduction will run from December 7, 2020 until February 19, 2021.

On November 13<sup>th</sup>, the Legislative Analyst's Office (LAO) reported that October revenue collections from the state's three largest taxes—the personal income tax, corporation tax, and sales tax—were ahead of budget projections by \$2.8 billion (40 percent), despite California's high unemployment rates. The LAO then reported in their Fiscal Outlook that the budget situation has improved considerably relative to the June budget act with an estimated \$26 billion windfall (or one-time surplus) in 2021-22. The LAO stated, "although the budget is expected to have a windfall in 2021-22, it is also expected to have an operating deficit in that year. The operating deficit is relatively small in 2021-22, but would grow to around \$17 billion by 2024-25." The windfall is a result of higher-than-expected revenue and lower-than-expected expenses in the current and prior budget years, while next fiscal year's revenues are estimated not to meet expenses. The LAO recommends the Legislature designate half of the windfall to budget resilience, such as reserves, and the other half to a more robust COVID-19 response than was possible in the spring. In return, Speaker Anthony Rendon stated, "In light of the revenue analysis of the Legislative Analyst's Office, it should be our priority to restore funds to critical programs that were cut and prevent additional cuts."

The 2020-21 State Budget included \$11.1 billion in trigger reductions and deferrals that would have been restored if federal funds were received by October 15, 2020. Unfortunately, federal funds were not received and the trigger reductions included \$6.6 billion in spending on schools, approximately \$970 million in funding for the University of California and the California State University, \$2.8 billion for state employee compensation, \$150 million for courts, and funding for child support administration, teacher training, moderate-income housing, and infrastructure to support infill housing, as well as \$250 million for county programs to backfill revenue losses.

The County will need to begin the process of establishing legislative and budget priorities for the upcoming legislative session. We are planning on inviting our Delegation to our virtual legislative meetings beginning in February 2021 to discuss our priorities and listen to their input.

The presidential election was held on November 3<sup>rd</sup>. We want to thank our former Senator, Hannah-Beth Jackson for all her work for the County. Senator Jackson has been termed out of the Senate and has been replaced by Assemblymember Monique Limon. Incoming Assemblymember Steve Bennett (D), who was a former Ventura County Supervisor, has now replaced Assemblymember Limon's seat, while Assemblymember Jordan Cunningham was reelected for the 35<sup>th</sup> Assembly District.

### 340B Program

The Governor's May Revision proposed to withdraw the January's proposed investment of \$52.5 million to create a supplemental payment pool for the pharmacy services for non-hospital 340B clinics. The final agreement in the State Budget restored, by rejecting the withdrawal of the January budget proposal, \$52.5 million (\$26.3 million General Fund and \$26.3 million federal funds) to provide supplemental payments to nonhospital 340B clinics. These payments are intended to replace lost revenue from implementation of Medi-Cal Rx, which DHCS originally intended to do on January 1, 2021 but has now delayed the implementation by three months. Trailer bill AB 80 also required DHCS to establish a stakeholder process to develop and implement the methodology for distribution of payments from the 340B supplemental payment pool, including the eligibility criteria for receipt of payments, the aggregate amount of pool funding, the criteria for apportioning the funding, and timing of payments. The County has been a part of the stakeholder process and has been in contact with the Administration, CA Department of Finance, our local Delegation, Legislative budget staff, the California Health and Human Services Agency and the Department of Health Care Services to insist that the County gets a correct share of the funds.

Due in part to our efforts, the implementation of Medi-Cal Rx was delayed by three months, while DHCS is looking seriously at our suggestion to carve-out the available 340B backfill dollars into two pools: one for qualifying private, non-profit entities; and one for qualifying public, governmental entities. Although nothing is concrete and we don't have any final details, this plan would afford the State more flexibility in looking at scenarios that may provide for more dollars that would flow to the County of Santa Barbara that would provide a backfill pool distribution that is much closer to our savings share loss that was reported in our state survey. This will assist greatly to afford the County the ongoing funding to provide our important specialty and other services which these funds have supported.

### CDAAs expansion request to all local food programs for COVID-19 response

The County has sent letters to the Administration, the Governor's Office of Emergency Services (CalOES) and our local Delegation that requests that the State should expand reimbursement under the California Disaster Assistance Act (CDAAs) for all local food programs that also qualify for FEMA Category B reimbursement for COVID-19 response.

Currently, FEMA has approved Category B - Emergency Protective Measures for all food/feeding programs associated with community need due to COVID-19. The County recently learned that the State has approved CDAAs for only the Great Plates program, while providing no reason for why they have only approved one food program and not all local food programs.

On April 24, 2020, Governor Gavin Newsom announced the "Great Plates Delivered" program, a meal delivery service for California's older adults. The program is designed to provide in-home meals to qualifying older adults and provide economic stimulus to the food and restaurant industries. The County chose not to participate in the Great Plates, due to our local Non-Profits already meeting our community's needs while working with local restaurants at a lower cost than the Great Plates.

The County has additional concerns that local Non-Profits and community-based organizations are indicating continued increased food insecurity due to COVID-19 and diminishing fiscal and in-kind resources to provide those services. Due to this need and regardless of funding, the County is evaluating funding support for additional local non-profits while following the FEMA eligibility guidance.

In result of our letter and conversation we had with our Delegation, Senator Jackson's office reached out to CalOES and was told that the reason CalOES is funding Great Plates and not any other program is because at the time CalOES started funding these programs, Great Plates was the first program of its kind in the nation, and therefore was not picked out of a list of programs. CalOES stated that they funded the only program that was there at the time, but now that programs like the one in the County are becoming more common, CalOES is currently considering what to do. Currently, CalOES is working with Department of Finance on the appropriate utilization of CDAA for similar programs like the one in the County. Although they also stated that there are multiple programs and jurisdictions asking CalOES for CDAA funding including funds for COVID and wildfires, and CalOES still needs to figure out how to allocate all those funds. CalOES could not give the County a timeline on this decision-making process. The County is working on setting up a virtual meeting with CalOES to follow up on this issue.

### Food Assistance

On November 17<sup>th</sup>, the Senate Human Services Committee held a hearing on food assistance for vulnerable populations during the COVID-19 pandemic. They touched up on a variety of topics including budget actions on nutrition programs, CalFresh, EBT, Disaster CalFresh, Food Distribution programs, nutrition programs for children, older adults, and farmworkers.

The budget for Fiscal Year 2020/21 included the following funds for food assistance:

- Senior Nutrition Programs at CDA. The budget rejected the Governor's May Revision proposal to reduce funding for Senior Nutrition programs at CDA by \$8.5 million General Fund.
- CalFresh Simplifications. The budget included \$27.5 million GF and trailer bill language that made simplifications to the CalFresh program to help those who are eligible access the program and those who are enrolled. Simplifications included requiring counties to attempt to make personal contact via telephone or other electronic means before terminating benefits and requiring any discontinuance be rescinded if the necessary information for the semiannual report form is obtained via an acceptable alternative method.
- CalFresh Restaurant Meal Program. The budget included \$826,000 (\$413,000 GF) to administer and expand the Restaurant Meal Program to all 58 counties and 110 community college campuses.
- CalFresh Application Assistance. The budget included \$5 million GF to support GetCalFresh.org, an online CalFresh application assistance tool.
- Emergency Food and Food Banks. The budget included \$639,000 GF to support four permanent positions to address workload related to administering state-funded emergency food programs. The budget also included a total of \$50 million to support food banks in their response to the COVID-19 pandemic.

### August Trailer Bills

As stated in the previous reports, the Legislature heard last minute measures in the forms of trailer bills and gut and amends. AB 6 (Reyes), was opposed by CSAC, UCC, RCRC, CBHDA, the County of Santa Barbara and a number of other local governments was a measure that was amended on August 27<sup>th</sup> without any city or county input and would have authorized the Attorney General to enter into a settlement agreement with opioid manufacturers on the state's behalf and would have blocked local governments from suing the companies responsible for the opioid crisis. Due in part to the strong opposition, the Legislature adjourned without taking up AB 6 (Reyes), and it is now dead for the year.

SB 115, the budget bill jr. includes language that will ensure the remainder of the Realignment backfill amount will be distributed to counties as soon as possible to preserve the safety net, while maintaining a mechanism for the Administration to withhold funding if a county is out of compliance with the state's COVID-19 health orders. This legislation requires every county to submit a monthly certification form to the Department of Finance certifying the county's compliance with COVID-19 public health orders. The monthly certification form has now been finalized by the Department of Finance and is available on the Department of Finance's Realignment backfill website. As stated in CSAC's update, there were two important updates this week related to the Realignment Backfill. The Department of Finance indicated that there will be no changes to the monthly certification form that was finalized for last month. Counties must submit the next monthly form to the Department of Finance at [CountyGFAllocations@dof.ca.gov](mailto:CountyGFAllocations@dof.ca.gov) by 11:59 p.m. on November 1st. Also, as you know, the state budget passed this summer relied on receiving further federal aid. The deadline set for that federal funding was October 15th and no new federal COVID-19 relief legislation was passed prior to that date. The Department of Finance officially indicated that those reductions and deferrals would not be restored. This directly impacts the Realignment backfill as the remaining \$250 million of the \$1 billion total was dependent on the state receiving this new federal aid and that additional amount will not be provided.

SB 115 also included \$51 million in funding for the electric vehicle charging infrastructure to support increased Zero-Emission Vehicle adoption and deployment in California, which was supported by the County. SB 115 was signed into law on September 9<sup>th</sup>.

SB 823 proposed to close the Division of Juvenile Justice (DJJ) facilities and realign the responsibility of youthful offenders to counties. Although the bill was much different from the Legislature's original proposal, it did not include all of the components of the framework discussed between the administration and the counties. CSAC is requesting cleanup legislation prior to implementation, and is advocating for changes to this measure prior to implementation in 2021-22. The bill included the closure of DJJ intake on July 1, 2021, with ongoing funding for counties to serve youth locally. Additionally, the bill included \$9.6 million in 2020-21 for implementation grants. The County of Santa Barbara, CSAC, UCC, RCRC, CPOC, and CBHDA were opposed to this bill. SB 823 was signed into law on September 30<sup>th</sup>. As with previous realignments, the county believes that a shift in programmatic responsibility must be accompanied by sufficient and protected funding as well as the flexibility to design responsive local systems that meet the needs of our community, permit innovation, and encourage partnership with community organizations. Authority and responsibility must remain connected to ensure the system can function and respond appropriately. We will continue to advocate for backfill funding in the 2021-22 session.

AB 107, the general government budget trailer bill, included language to extend the deadline for decisions in pending assessment appeals cases beyond the Governor's recent Executive Order to March 31, 2021, and provided explicit statutory authority to conduct assessment appeals hearings remotely. These provisions will allow the County to safely conduct assessment appeals hearings and ensure that boards are able to finalize rulings on appeals that are nearing the statutory deadline. The County of Santa Barbara, along with CSAC, UCC, RCRC and other associations and local governments were in strong support for this measure. AB 107 was signed into law on September 29<sup>th</sup>.

AB 1869, repealed the authority to collect various criminal justice administrative fees upon conviction or arrest and would also appropriate \$65 million annually for five years to counties to backfill associated revenue losses. The County of Santa Barbara and CSAC were previously opposed to SB 144 (Mitchell) unless sustainable funding was provided to backfill the loss of revenue. AB 1869 provided the backfill so that counties can continue to deliver essential core services and programs in the near term and incorporates funding that is beneficial to counties for the next five years, which may be extended through further legislation. AB 1869 was signed into law by the Governor on September 18<sup>th</sup>. There is not yet a

formula. Since the funds don't go out until next fiscal year, the Legislature only identified their intent to further develop a formula. The County will work with CSAC who will be working closely with the Legislature and Administration in the development of a methodology throughout the year.

AB 1872 (Committee on Budget) is the cannabis trailer bill that prohibits the California Department of Tax and Fee Administration from adjusting the mark-up amount during the period beginning on or after the operative date of the bill, and before July 1, 2021, and prohibits the cultivation tax rates that are imposed in the 2021 calendar year from being adjusted for inflation unless the adjustment is for an inflation rate that is less than zero. It also provides that beginning January 1, 2023, the rates imposed for the previous calendar year shall be adjusted by the department annually for inflation. The bill also makes clarifying changes to the Board of State and Community Corrections grants to local governments by prohibiting the Board from making grants to local government that have banned both indoor and outdoor commercial cannabis cultivation or have banned the retail sale of cannabis or cannabis products. AB 1872 was signed into law by the Governor on September 18<sup>th</sup>.

### Executive Orders and Actions

Governor Gavin Newsom has not only issued a number of executive orders addressing a variety of issues in response to the COVID-19 pandemic, but he is also holding press releases almost weekly in response to COVID-19.

#### *Executive Orders and Actions Timeline*

- November 20, Governor Gavin Newsom released "Recovery for All," the final report by the Task Force Co-Chairs Ann O'Leary and Tom Steyer. Additionally, Governor Gavin Newsom announced the opening of the California Rebuilding Fund to help impacted small businesses rebuild from the economic crisis and keep local economies strong.
- November 19, Governor Gavin Newsom and the California Department of Public Health (CDPH) announced a month-long Stay-at-Home Order, effective November 21, in counties in the purple tier. This comes in response to an unprecedented, rapid rise in COVID-19 cases across California and in an effort to decrease transmission and slow hospitalizations before the death count surges.

#### *The November 19<sup>th</sup> executive order does the following:*

- The state public health order generally prohibits non-essential work and gatherings between the hours of 10 p.m. and 5 a.m.
- It applies only to counties in the Purple Tier of the Blueprint for a Safer Economy.
- It went into effect at 10 p.m. Saturday, November 21 in counties within the Purple Tier.
- Gatherings between more than one household are prohibited between 10 p.m. and 5 a.m.
- Non-essential businesses must close between 10 p.m. and 5 a.m., but restaurants may continue to offer take-out food past 10 p.m.
- It is not a curfew for individuals or members of the same household, but instead applies only to gatherings or activities with members of other households. People from the same household may engage in activities outside the home between 10 p.m. and 5 a.m. (retrieve take-out food, walk the dog, etc.), so long as they are not interacting with members of other households.
- The order is in effect until 5 a.m. on December 21.
- If a county is subsequently placed into the Purple Tier, it will have two days to implement the order.

- The order may be enforced locally and by state entities.
- November 16, Governor Gavin Newsom and state public health officials have taken necessary action to slow advancement of the Blueprint for a Safer Economy county tier assignments in response to record rate increases of COVID19 cases in the state.
- October 28, Governor Gavin Newsom issued an executive order extending a number existing administrative efforts implemented to combat the pandemic.
- October 27, Governor Newsom announced that Western States will join California Scientific Safety Review Workgroup to ensure safety of COVID-19 Vaccine.
- October 20, California Public Health Officials Released Guidance and Updates to State's Blueprint for a Safe Economy regarding personal care services, outdoor stadiums and theme parks.
- October 18, Governor Gavin Newsom today named a group of nationally acclaimed California physician scientists with expertise in immunization and public health to the state's COVID-19 Scientific Safety Review Workgroup that will independently review the safety and efficacy of any vaccine that receives FDA approval for distribution. While there is no proven vaccine for COVID-19 yet, these top health experts – guided by the principles of safety, equity and transparency – will review any vaccine that receives federal approval and verify its safety, before California makes a COVID-19 vaccine available to those most at risk.
- October 9, California Department of Public Health released updated guidance for private gatherings, which are events that bring together people from different households at the same time in a single space or location. All private gatherings must be held outside and are restricted to no more than three separate households at one time.
- September 23, Governor Newsom signed an executive order to extend authorization for local governments to halt evictions for commercial renters impacted by the COVID-19 pandemic through March 31, 2021, and address a variety of issues in response to the pandemic.
- September 17, Governor Newsom signed legislation to protect California's workforce amid the COVID-19 Pandemic.
- September 9, Governor Newsom signed bills to support small businesses grappling with the impacts of the COVID-19 Pandemic, in order to bolster economic recovery.
- September 8, Governor Newsom unveiled a partnership with Sesame Workshop for Back-to-School PSAs on how kids can stay safe during COVID19. A PSA with Elmo and his dad are available in English and Spanish.
- September 3, Governor Gavin Newsom signed an executive order extending consumer protections against price gouging through March 4, 2021 as California continues to respond to the COVID-19 pandemic. The Governor also signed an emergency proclamation to free up additional energy capacity amid extreme temperatures across California.
- September 2, Governor Newsom Announced Housing Is Key Campaign to Inform Californians About State's New Tenant and Landlord Protections. Under new law, no tenant can be evicted before February 1, 2021 as a result of rent owed due to a COVID-19 related hardship.
- August 31, Governor Newsom Signs Statewide COVID-19 Tenant and Landlord Protection Legislation. Under the legislation, no tenant can be evicted before February 1, 2021 as a result of rent owed due to a COVID-19 related hardship accrued between March 4 – August 31, 2020, if the tenant provides a declaration of hardship according to the legislation's timelines. For a COVID-19 related hardship that accrues between September 1, 2020 – January 31, 2021, tenants must also pay at least 25 percent of the rent due to avoid eviction.
- August 28, Governor Gavin Newsom unveiled the Blueprint for a Safer Economy, a statewide, stringent and slow plan for living with COVID-19 for the long haul. The plan imposes risk-based criteria on tightening and loosening COVID-19 allowable activities and expands the length of time between changes to assess how any movement affects the trajectory of the disease. Like every aspect of California's response, data and science are the North Star, and as a result, this

new framework makes a number of changes to the state's previous resilience roadmap. Governor Newsom also signed an executive order to help the state build out its own laboratory capabilities. The order will expedite efforts by the Department of General Services and the Department of Public Health to establish and operate up to three sites for use as laboratories to increase the state's COVID-19 testing capacity. California is aiming to stand up a laboratory facility and begin processing tens of thousands of additional tests by November 1 and run at full capacity by -no later than March 1, 2021.

- August 26, Governor Newsom announced that California has signed a groundbreaking contract with a major diagnostics company, which will allow California to process up to an additional 150,000 COVID-19 diagnostic tests a day, with a contractual turnaround time of 24-48 hours. The goal is to stand up a laboratory facility and begin processing tens of thousands of additional tests by November 1 and run at full capacity by March 1, 2021.
- Governor Newsom also signed an executive order to assist elections officials as they prepare for the upcoming election amid the COVID-19 pandemic and wildfires across the state. The order extends the deadline for county elections officials to count and verify signatures submitted for initiative petitions seeking to qualify for the November 2022 ballot, giving the elections officials needed flexibility to focus on preparations for the General Election this November.
- August 25, CDPH released new guidance regarding the in-person supervision of cohorts of children or youth in educational and childcare settings. A cohort is a stable group of no more than 14 children or youth and no more than two supervising adults in a supervised environment in which the adults and children stay together for all activities and avoids contact with people outside of their group in the setting. The guidance makes cohorting practices consistent and outlines the required health and safety practices needed to prevent the spread of COVID-19 across settings, such as small group learning for students with special needs and district or school "hubs" for distance learning and childcare.
- August 22, California Secured Presidential Major Disaster Declaration to Support State's Response to Northern California Wildfires. The President the approved California's request for a Presidential Major Disaster Declaration to bolster the state's emergency response to wildfires.
- August 18, Governor Newsom declared a Statewide Emergency due to fires, and extreme weather conditions.
- August 14, Governor Gavin Newsom announced that every eligible local educational agency in California has applied for and is receiving a portion of the \$5.3 billion in learning loss mitigation funds secured through the state budget he signed in June. The Governor also signed an executive order directing state agencies across government to bridge the digital divide, building on the state's efforts to provide computing devices and hotspots to students across the state. See how much emergency relief your school district will receive here.
- August 10, Governor Newsom announced \$81.8 Million in Commitments to Support Isolation and Quarantine Efforts in Communities Disproportionately Impacted by COVID-19. A coalition of private and philanthropic entities commit to \$81.8 million to fund services to support quarantine and isolation efforts
- August 7, California Department of Public Health released statewide interim guidance for institutions of higher education (IHE).
- July 31, Governor Gavin Newsom signed an executive order addressing extending the deadline for county assessment appeals boards to issue a decision on pending tax assessment appeals filed on or before March 4.
- July 29, Governor Gavin Newsom announced a series of actions to better serve workers that have experienced job loss during the COVID-19 pandemic, including the formation of an Employment Development Department (EDD) strike team, and a renewed focus on processing unpaid claims.
- July 28, CDPH promulgated regulations expanding data reporting requirements for providers and laboratories. The regulations require providers to continue to collect and report race and ethnicity

data and also collect and report a patient's gender identity and sexual orientation, so the state has more information on patients who identify as lesbian, gay, bisexual or transgender (LGBT).

- July 27, Governor Newsom announced actions to slow the spread of COVID19 in the Central Valley
- July 24, Governor Newsom announced support for workers to isolate and quarantine outside their home, unveiled new actions to increase outreach and education to slow the spread and reduce the risk for COVID-19 at work, at home, and in the community and Announced new resources for employers to support a safe, clean environment for workers and customers
- July 17, Governor Newsom lays out Pandemic Plan for Learning and Safe Schools.
- Building on the success of Project Roomkey, Governor Newsom announced the availability of \$600 million in funding for Homekey, the next phase in the state's response protecting Californians experiencing homelessness who are at high risk for serious illness from COVID-19. (7/16/2020)
- The state launched "Wear A Mask" public awareness campaign encouraging Californians to use face coverings – one of the best ways people can protect themselves and others from the virus. (7/2/2020)
- Governor Newsom released tools, technology, and data that will allow scientists, researchers, technologists, and all Californians to better understand the impact of COVID-19. (6/25/2020)
- Governor Newsom issued a proclamation of a budget emergency to make additional resources available to fund the state's ongoing emergency response to the COVID-19 pandemic. (6/25/2020)
- Governor Newsom signed an executive order extending a waiver that allows retailers to temporarily pause in-store redemption of beverage containers to mitigate the spread of COVID-19. (6/22/2020)
- Governor Newsom signed an executive order addressing a variety of issues in response to the COVID-19 pandemic. The order extends waivers temporarily broadening the capability of counties to enroll persons into the California Work Opportunity and Responsibility to Kids (CalWORKs) program, allowing for self-attestation of pregnancy and conditions of eligibility, and waiving in-person identification requirements. The order also extends permission for commercially-licensed food trucks to operate in roadside rest areas, in compliance with a temporary permit issued by Caltrans, to ensure essential infrastructure workers have access to food; suspends face-to-face visits for eligibility for extended foster care; and extends deadlines related to the payment of real estate license application and renewal fees and continuing education requirements for licensees. (6/15/2020)
- First Partner Jennifer Siebel Newsom and Chief Service Officer Josh Fryday invite students, teens, and young adults across the state to join the #CaliforniansForAll Summer of Service. (6/12/2020)
- Governor Newsom announced that California-based BYD North America received certification from the National Institute for Occupational Safety and Health (NIOSH) to produce N95 respirators for the state. (6/8/2020)
- Governor Newsom signed an executive order that will help increase the availability of over-the-counter drugs, such as hand sanitizer, and medical devices, such as respirators, ventilators and masks, which are in demand due to the COVID-19 pandemic. (6/5/2020)
- Governor Newsom issued an executive order extending authorization for local governments to halt evictions for renters impacted by the COVID-19 pandemic, through July 28. (5/29/2020)
- The state is partnering with the California Partnership to End Domestic Violence (CPEDV), Airbnb and Uber to provide free accommodation and transportation to victims of domestic violence. (5/29/2020)
- Governor Newsom launched California Connected, the state's comprehensive contact tracing program and public awareness campaign. (5/22/2020)

- State Superintendent of Public Instruction Tony Thurmond announced a new collaborative online campaign to engage educators, school leaders, and families in a wider conversation about how to advance, elevate, and spur action on Social and Emotional Learning in California. (5/21/2020)
- Governor Newsom issued an executive order addressing a variety of issues in response to the COVID-19 pandemic. (5/19/2020)
- As a result of California scaling up its COVID-19 testing capacity in recent weeks, Governor Newsom announced that more than 1 million diagnostic tests for the virus have been conducted statewide. (5/12/2020)
- Governor Newsom issued an executive order extending some critical deadlines that have been impacted by the COVID-19 pandemic. (5/8/2020)
- Governor Newsom issued an executive order to ensure that Californians can exercise their right to vote in a safe and accessible manner during the General Election this November. (5/8/2020)
- The state released updated industry guidance – including for retail, manufacturing and logistics – to begin reopening with modifications that reduce risk and establish a safer environment for workers and customers. (5/7/2020)
- The state launched an interactive website to help Californians find COVID-19 community testing sites near them. (5/6/2020)
- Governor Newsom issued an executive order waiving penalties on property taxes for residents and small businesses experiencing economic hardship based on COVID-19 and extending deadline for filing property tax statements. (5/6/2020)
- Governor Newsom issued an executive order that creates a time-limited rebuttable presumption for accessing workers' compensation benefits applicable to Californians who must work outside of their homes during the stay at home order. (5/6/2020).
- Governor Newsom issued an executive order that temporarily broadens the capability of counties to enroll persons into the California Work Opportunity and Responsibility to Kids (CalWORKs) program using various eligibility verification methods due to social distancing requirements. (5/1/2020)
- Governor Newsom issued an executive order allowing adults to obtain marriage licenses via videoconferencing rather than in person amidst the COVID-19 pandemic. (4/30/2020)
- California launched covid19.ca.gov/childcare to provide convenient access to safe and reliable child care options for working parents, including essential workers and vulnerable populations. (4/30/2020)
- The Governor announced that that CalFresh recipients will receive the maximum benefits for the month of May and families with children eligible for free or reduced price meals are eligible to receive additional support thanks to the Pandemic Emergency Benefits Transfer Program (PEBT). (4/29/2020)
- Philanthropy committed to a \$15 million campaign to fund Farm to Family program through the end of the year. (4/29/2020)
- The state expanded its Farm to Family program to help meet the growing demand at California food banks. (4/29/2020)
- California is mobilizing more than 1,000 callers through the Social Bridging Project to proactively reach out to older Californians who are isolating at home. (4/24/2020)
- The state is expanding Friendship Line California to provide statewide support to lonely and isolated older Californians. (4/24/2020)
- California is launching a first-in-the-nation program that will enlist community restaurants to prepare and deliver meals to older Californians who are isolating at home during California's stay at home order. (4/24/2020)
- Governor Newsom issued an executive order addressing a variety of issues in response to the COVID-19 pandemic including extensions for customers on several Department of Motor Vehicles deadlines and suspension of late fees for expired vehicle registrations. (4/23/2020)

- Governor Newsom issued an executive order giving flexibility to the California Department of Health Care Services (DHCS) and Medi-Cal providers on a variety of deadlines and requirements to ensure continuity of service to patients and customers. (4/23/2020)
- Governor Newsom issued an executive order to empower schools to focus on responding to COVID-19 and to provide transparency to their communities. (4/23/2020)
- Governor Newsom issued an executive order to stop debt collectors from garnishing COVID-19-related financial assistance. (4/23/2020)
- Governor Newsom announced that most private student loan servicers have agreed to provide payment and other relief to borrowers, including more than 1.1 million Californians with privately held student loans. (4/23/2020)
- California Volunteers' launched the #CaliforniansForAll service initiative to connect Californians with safe volunteer opportunities and encourage those unable to physically volunteer to think creatively about ways to make a difference in their communities. (4/21/2020)
- The state secured commitments from companies, business leaders, and philanthropists to provide Internet access for hundreds of thousands of households and laptops, Chromebooks, and tablets for over 70,000 students. (4/20/2020)
- The California Public Utilities Commission is making \$30 million available to help school districts ensure that families have Internet access and computing devices for distance learning. (4/20/2020)
- The California State Transportation Agency is partnering with the City of Sacramento to convert and deploy seven transit buses to be used as super hotspots. (4/20/2020)
- California negotiated master agreement template with Motel 6 which counties can now use to access these facilities for Project Roomkey. (4/18/2020)
- Governor Newsom issued an executive order allowing temporary waivers to certain foster youth programs to ensure continuity of care in response to COVID-19. (4/17/2020)
- Governor Newsom established a state Task Force on Business and Jobs Recovery to chart a path forward on recovery in the wake of COVID-19. (4/17/2020)
- Governor Newsom issued an executive order addressing upcoming admissions criteria for the CSU system, background checks for essential workers, and deadline extensions to real estate licenses and more. (4/17/2020)
- Governor Newsom issued an executive order increasing health and safety standards by permitting workers at food facilities to wash their hands every 30 minutes, or as needed. (4/16/2020)
- Governor Newsom issued an executive order to give two weeks of supplemental paid sick leave to certain food sector workers if they are subject to a quarantine or isolation order or medical directive. (4/16/2020)
- Philanthropic partners committed to raising a \$50 million to support undocumented Californians. (4/15/2020)
- California invested \$75 million in statewide Disaster Relief Assistance funding to provide financial support for immigrant workers affected by COVID-19. (4/15/2020)
- The Employment Development Department is implementing a one-stop shop for those applying for Pandemic Unemployment Assistance, including the self-employed and independent contractors. (4/15/2020)
- The state launched a new initiative to expand call center hours at the Employment Development Department to better assist Californians with unemployment insurance applications. (4/15/2020)
- Governor Newsom signed an executive order to address the release and reentry process at the Division of Juvenile Justice (DJJ) so that eligible youth serving time at DJJ can be discharged safely and expeditiously. (4/14/2020)
- Governor Newsom outlined six critical indicators California will consider before modifying the stay-at-home-order and other COVID-19 interventions. (4/14/2020)
- California invested \$42 million to protect younger Californians who are at heightened risk for abuse and mistreatment due to COVID-19. (4/13/2020)

- Governor Newsom announced the release of \$100 million to support child care services, and to support child care providers who are stepping up to serve essential infrastructure workers and vulnerable populations and their children. (4/10/2020)
- The USNS Mercy is taking non-COVID-19 patients to help decompress skilled nursing facilities in the Los Angeles area. (4/10/2020)
- California is providing stipends to certified nurse assistants, licensed vocational nurses and other critical staff at nursing homes to make sure their needs are met. (4/10/2020)
- The state created a program to provide doctors, nurses and other critical front-line health care workers access to no-cost or low-cost hotel rooms. (4/9/2020)
- California is partnering with United Airlines, which will provide free, round-trip flights for volunteer medical professionals from across California and the country who join the state's health care workforce. (4/9/2020)
- The state will begin implementing new federal benefit payments of \$600 on top of the weekly benefit received by California workers as part of the new Pandemic Additional Compensation (PAC) initiated by the CARES Act. (4/9/2020)
- Governor Newsom issued an executive order that provides additional support for older adults and vulnerable young children. (4/7/2020)
- Governor Newsom issued an executive order to help the state procure necessary medical supplies to fight COVID-19. (4/7/2020)
- California's Surgeon General released new stress management playbooks for individuals, caregivers and kids. (4/7/2020)
- California published a consolidated page of helplines and resources for those experiencing stress, anxiety or depression, facing substance abuse disorders, violence at home, or seeking to protect child welfare and address child abuse or neglect. (4/7/2020)
- California secured 4,613 additional beds to fight COVID-19 and is aggressively planning for a surge in hospitalizations in the coming weeks, aiming to add 50,000 beds to our existing hospital capacity of nearly 75,000 beds. (4/6/2020)
- The Governor created a COVID-19 Testing Task Force, a public-private collaboration that will work with stakeholders to rapidly boost testing capacity. (4/4/2020)
- California launched a new website, covid19supplies.ca.gov, to allow individuals and companies to donate, sell or offer to manufacture 13 of the most critical medical supplies including ventilators, N95 respirators and testing materials. (4/4/2020)
- Governor Newsom issued an executive order allowing health care providers to use video chats and applications to provide health services without risk of penalty. (4/3/2020)
- Governor Newsom signed an executive order expanding consumer protection against price gouging on critical items, such as food and medical supplies, during the COVID-19 crisis. (4/3/2020)
- The state is securing thousands of isolation rooms in hotels and motels through Project Roomkey, for extremely vulnerable individuals experiencing homelessness, to help flatten the curve & preserve hospital capacity. (4/3/2020)
- California is the first state in the nation to secure FEMA approval for 75 percent federal cost-share for housing vulnerable individuals experiencing homelessness. (4/3/2020)
- Governor Newsom signed an executive order that will restrict water shutoffs to homes and small businesses while the state responds to the COVID-19 pandemic. (4/2/2020)
- The state is providing \$50 million in loan guarantees for small businesses that may not be eligible for federal relief. (4/2/2020)
- California is also allowing small businesses to defer payment of sales and use taxes of up to \$50,000, for up to 12 months. (4/2/2020)
- Governor Newsom announced \$17.8 million in new state initiatives to support California workers impacted by COVID-19. The allocation will come from Workforce Innovation and Opportunity

Act funds with \$7.8 million going to the Los Angeles region and \$10 million made available statewide. (4/2/2020)

- California is partnering with Google, which will be donating Chromebooks and will fund the use of 100,000 donated mobile hotspots to provide free and unlimited high-speed Internet connectivity for the remainder of the school year. (4/1/2020)
- The Governor issued an executive order expediting the use of funds to support the state's continuing efforts to protect public health and respond to the COVID-19 crisis. (4/1/2020)
- The state developed an agreement between teachers, classified employees, school boards, superintendents, and principals to work together to provide distance learning to California's students as a result of physical school closures due to mitigation efforts against the COVID-19 outbreak. (4/1/2020)
- California launched a statewide hotline (833-544-2374) and call center in partnership with 2-1-1 to connect older Californians with essential services like food and medication. (3/31/2020)
- Governor Newsom called for community members to check in on senior neighbors, friends, and family as part of the 'Stay Home. Save Lives. Check In.' (3/31/2020)
- The state is urging local non-profits and faith-based organizations to call to check in on all of the older Californians in their networks. (3/31/2020)
- In partnership with AARP, the state is sending a mailer to every older Californian with information and resources to adapt to the stay at home order. (3/31/2020)
- Governor Newsom issued an executive order to expand the health care workforce and staff at least an additional 50,000 hospital beds needed for the COVID-19 surge. (3/30/2020)
- The state launched the California Health Corps— health care professionals with an active license, public health professionals, medical retirees, medical and nursing students, or members of medical disaster response teams in California are all encouraged to join and staff the surge in COVID-19 patients. (3/30/2020)
- Governor Newsom signed an executive order providing relief to small businesses— it includes a 90-day extension in state and local taxes and extends licensing deadlines and requirements for a number of industries. (3/30/2020)
- The state secured partnerships with leading digital and media platforms, businesses and celebrities from across the state on the COVID-19 public awareness campaign. (3/29/2020)
- The Governor issued an executive order banning the enforcement of eviction orders for renters affected by COVID-19 through May 31, 2020. (3/27/2020)
- The Governor issued an executive order enabling the Chief Justice to take emergency actions for the state's courts to be able to conduct business during the COVID-19 pandemic. (3/27/2020)
- Governor Newsom secured a major financial relief package – financial institutions will provide a 90-day grace period for mortgage payments and will not negatively impact credit reports for Californians accessing payment relief. (3/25/2020)
- The Governor issued an executive order directing the California Department of Corrections and Rehabilitation to temporarily halt intake of inmates and youth into the state's 35 prisons and four youth correctional facilities. (3/24/2020)
- The state is moving to videoconferencing of all scheduled parole suitability hearings starting next month. (3/24/2020)
- California awarded \$100 million to cities, counties and continuums of care to help people experiencing homelessness during the COVID-19 pandemic. (3/23/2020)
- California State Parks is working closely with local county and public health officials to modify park operations by closing vehicular traffic at some park units to reduce the density of visitors. (3/23/2020)
- The state secured a presidential Major Disaster Declaration, which makes federal funding available to state, tribal and local governments for emergency protective measures, including direct federal assistance, and makes funding available for crisis counseling for impacted individuals. (3/22/2020)

- California requested and received Personal Protective Equipment from the Strategic National Stockpile. (3/21/2020)
- The state is leasing two hospitals to increase availability of beds for COVID-19 patients. (3/21/2020)
- California is directing more than \$42 million in emergency funding to expand California's health care infrastructure and secure equipment and services to support California's response to COVID-19. (3/21/2020)
- The Governor issued an executive order giving the state the ability to increase the health care capacity in clinics, mobile health care units and adult day health care facilities. (3/21/2020)
- California launched a partnership Neighbor-to-Neighbor campaign with NextDoor and California Volunteers to safely deploy volunteers to help the most vulnerable Californians. (3/20/2020)
- The Governor activated close to 500 members of the California National Guard to help distribute food at food banks and protect California's most vulnerable residents. (3/20/2020)
- The Governor issued an executive order to permit vote-by-mail procedures to be used in three upcoming special elections, protecting public health and safety during the COVID-19 outbreak. (3/20/2020)
- The California Department of Human Resources issued directives to departments on how to manage the state workforce to keep employees safe while continuing to provide Californians critical support and services. (3/19/2020)
- The Department of Food and Agriculture published a resource page for the agricultural sector. (3/19/2020)
- The Governor requested immediate deployment of the USNS Mercy Hospital Ship to the Port of Los Angeles to decompress the state's health care delivery system in Los Angeles. (3/19/2020)
- The state requested federal assistance to supplement California's efforts to prepare for a COVID-19 surge. (3/19/2020)
- The Governor issued a stay-at-home order to protect the health and well-being of all Californians and slow the spread of COVID-19. (3/19/2020)
- The Department of Motor Vehicles cancelled behind-the-wheel drive tests, suspended extended office hours and moved to appointment-only service for transactions requiring an in-person visit. (3/18/2020)
- California launched a consumer-friendly website and public service announcements to boost COVID-19 awareness. (3/18/2020)
- The Governor issued an executive order providing flexibility to local governments to spend their emergency homelessness funding on immediate solutions tailored to combatting COVID-19 and its impacts on the homeless population. (3/18/2020)
- The Governor directed the first allocation of the \$500 million in emergency funding recently authorized by the Legislature for COVID-19 related activities – \$150 million for local emergency homelessness actions. (3/18/2020)
- California is securing 1,309 travel trailers and hundreds of hotels rooms to provide immediate housing options for those most at risk. (3/18/2020)
- The Governor issued an executive order to ensure Californians who rely on Medi-Cal, CalFresh, CalWORKS, Cash Assistance for immigrants and in-home supportive services will not lose access due to COVID-19. (3/18/2020)
- The Governor issued an executive order to suspend standardized testing to focus on the mental and socioemotional well-being of students. (3/18/2020)
- The Governor placed the National Guard on alert to support COVID-19 community readiness. (3/17/2020)
- The state secured SBA disaster assistance for California small businesses economically impacted by COVID-19. (3/17/2020)
- The state removed barriers to make it easier for California to quickly and effectively provide care to about 13 million Medi-Cal beneficiaries and expand telehealth options. (3/17/2020)

- The Governor issued an executive order to ensure vital goods can be delivered to California retailers in a timely manner during the COVID-19 outbreak. (3/17/2020)
- The Governor requested and signed emergency legislation providing up to \$1 billion in funding to help California fight COVID-19. (3/17/2020)
- California released guidance and resources for schools to plan and implement distance learning and school meal delivery. (3/17/2020)
- State health and emergency officials directed bars and clubs to close and restaurants to open only for drive-through or pick-up/delivery. (3/17/2020)
- The state issued guidance for vulnerable Californians– older residents (65+) and those with underlying health conditions – to isolate at home. (3/16/2020)
- The Governor issued an executive order to protect the health and safety of Californians most vulnerable to COVID-19 residing at health care, residential and non-residential facilities licensed by the state. (3/16/2020)
- California Volunteers created a resource page on how Californians can safely help their communities during COVID-19. (3/16/2020)
- The Governor issued an executive order that authorizes local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19. (3/16/2020)
- The Department of Motor Vehicles is allowing customers to avoid coming into the DMV office for 60 days so that at-risk populations can avoid required visits and practice social distancing. (3/16/2020)
- EDD is encouraging employers who are experiencing a slowdown in their businesses or services as a result of the outbreak’s impact on the economy to apply for an Unemployment Insurance work sharing program. (3/13/2020)
- In partnership with federal and local government, California managed the safe disembarkation and treatment of passengers from the Grand Princess cruise ship. (3/13/2020)
- Californians unable to work because they are caring for an ill or quarantined family member can file a Paid Family Leave. (3/13/2020)
- The California Employment Development Department (EDD) is encouraging individuals who are unable to work due to exposure to COVID-19 to file a Disability Insurance claim. (3/13/2020)
- The Franchise Tax Board is providing a 90-day extension to file California tax returns for taxpayers affected by the COVID-19 pandemic. (3/13/2020)
- Caltrans launched a statewide educational campaign on more than 700 electronic highway signs, urging all Californians to be more diligent about containing the spread of the virus. (3/13/2020)
- The Governor issued an executive order to ensure schools retain state funding even in the event of a COVID-19 physical closure. (3/13/2020)
- The Governor issued an executive order removing the waiting period for unemployment and disability insurance for Californians who lose work as a result of the COVID-19 outbreak and readying the state to commandeer hotels and medical facilities. (3/12/2020)
- The state is allowing local and state legislative bodies to hold meetings via conference calls while still meeting state transparency requirements. (3/12/2020)
- The state directed mass gatherings be postponed or cancelled to slow the spread of the virus. (3/11/2020)
- The California Business, Consumer Services and Housing Agency released guidance for homeless assistance providers in the state. (3/10/2020)
- California obtained approval to provide meal service during school closures to minimize potential exposure to COVID-19. (3/7/2020)
- California activated the State Operations Center and the Medical and Health Coordination Center to coordinate response efforts across the state. (3/6/2020)
- 24 million more Californians were made eligible for free medically necessary COVID-19 testing. (3/5/2020)

- The Governor declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19. (3/4/2020)
- California made available some of its emergency planning reserves of 21 million N95 filtering facepiece masks for use in certain health care settings to ease shortages of personal protective equipment. (3/3/2020)
- The state secured COVID-19 test kits from the CDC to help get results sooner, identify and treat cases and trace potential exposure. (2/28/2020)
- The California Department of Public Health is coordinating with federal authorities and local health departments that have implemented screening, monitoring and, in some cases, quarantine of returning travelers. (Ongoing)
- The California Department of Public Health's state laboratory in Richmond and 21 other public health department laboratories are testing for the virus that causes COVID-19. (Ongoing)
- The state's public health experts are providing information, guidance documents, and technical support to local health departments, health care facilities, providers, schools, universities, colleges, elder care and congregate living facilities, childcare facilities and homeless shelters across California. (Ongoing)
- The state is piloting Community Based Testing Sites for high-risk individuals in partnership with Verily. (Ongoing)

### Ballot Initiatives

This year was a presidential election year, and all eighty seats in the State Assembly and twenty seats in the State Senate were up for election. California faced 12 statewide ballot measures on November 3, 2020. The following is a list of statewide measures that were on the ballot as listed on the Secretary of State's website and their *unofficial results* – *Results will be certified by December 11, 2020.*

*Prop 14 – Unofficial Result: YES*

*Authorizes bonds to continue funding stem cell and other medical research.*

Authorizes \$5.5 billion in state general obligation bonds to fund grants from the California Institute of Regenerative Medicine to educational, non-profit, and private entities for: (1) stem cell and other medical research, therapy development, and therapy delivery; (2) medical training; and (3) construction of research facilities. Dedicates \$1.5 billion to fund research and therapy for Alzheimer's, Parkinson's, stroke, epilepsy, and other brain and central nervous system diseases and conditions. Limits bond issuance to \$540 million annually.

*Prop 15 – Unofficial Result: NO*

*Increased funding for public schools, community colleges, and local government services by changing tax assessment of commercial and industry property.*

Increases funding for K-12 public schools, community colleges, and local governments by requiring that commercial and industrial real property be taxed based on current market value. Exempts from this change: residential properties; agricultural properties; and owners of commercial and industrial properties with combined value of \$3 million or less. Increased education funding will supplement existing school funding guarantees. Exempts small businesses from personal property tax; for other businesses, exempts \$500,000 worth of personal property.

*Prop 16 – Unofficial Result: NO*

*ACA 5 (Resolution Chapter 23), Weber. Government preferences.*

This constitutional amendment asks the voters of California to vote on permitting the use of race, gender, and ethnic diversity as factors (but not decisive factors) in college admissions, government hiring, and government contracting.

*Prop 17 – Unofficial Result: YES*

*ACA 6 (Resolution Chapter 24), McCarty. Elections: disqualification of electors.*

This constitutional amendment, subject to voter approval, permits an otherwise eligible person who is on parole for the conviction of a felony to register to vote and to vote.

*Prop 18 – Unofficial Result: NO*

*ACA 4 (Resolution Chapter 30), Mullin. Elections: voting age.*

This constitutional amendment permits a 17-year-old who will be 18 by the time of the next general election to vote at any primary or special election that occurs before the next general election.

*Prop 19 – Unofficial Result: YES*

*ACA 11 (Resolution Chapter 31), Mullin. The Home Protection for Seniors, Severely Disabled, Families, and Victims of Wildfire or Natural Disasters Act.*

Would enact the "Home Protection for Seniors, Severely Disabled, Families, Wildfire and Natural Disasters Act," which allows property tax base year value transfers for replacement properties without regard to the replacement property's location or value; limits or repeals the parent-child, grandparent-grandchild exclusion from change in ownership; directs the Director of Finance to determine any state-accrued revenues and savings resulting from these changes; and allocates 75% of that amount for fire suppression staffing and 15% to reimburse eligible local agencies that incur a net revenue loss from this measure's provisions.

*Prop 20 – Unofficial Result: NO*

*Restricts parole for non-violent offenders. Authorizes felony sentences for certain offenses currently treated only as misdemeanors.*

Imposes restrictions on parole program for non-violent offenders who have completed the full term for their primary offense. Expands list of offenses that disqualify an inmate from this parole program. Changes standards and requirements governing parole decisions under this program. Authorizes felony charges for specified theft crimes currently chargeable only as misdemeanors, including some theft crimes where the value is between \$250 and \$950. Requires persons convicted of specified misdemeanors to submit to collection of DNA samples for state database.

*Prop 21 – Unofficial Result: NO*

*Expands local governments' authority to enact rent control on residential property.*

Amends state law to allow local governments to establish rent control on residential properties over 15 years old. Allows rent increases on rent-controlled properties of up to 15 percent over three years from previous tenant's rent above any increase allowed by local ordinance. Exempts individuals who own no more than two homes from new rent-control policies. In accordance with California law, provides that rent-control policies may not violate landlords' right to a fair financial return on their property.

*Prop 22 – Unofficial Result: YES*

*Changes employment classification rules for app-based transportation and delivery drivers.*

Establishes different criteria for determining whether app-based transportation (rideshare) and delivery drivers are "employees" or "independent contractors." Independent contractors are not entitled to certain state-law protections afforded employees—including minimum wage, overtime, unemployment insurance, and workers' compensation. Instead, companies with independent-contractor drivers will be required to provide specified alternative benefits, including: minimum compensation and healthcare

subsidies based on engaged driving time, vehicle insurance, safety training, and sexual harassment policies. Restricts local regulation of app-based drivers; criminalizes impersonation of such drivers; requires background checks.

*Prop 23 – Unofficial Result: NO*

*Authorizes state regulation of kidney dialysis clinics. Establishes minimum staffing and other requirements.*

Requires at least one licensed physician on site during treatment at outpatient kidney dialysis clinics; authorizes Department of Public Health to exempt clinics from this requirement due to shortages of qualified licensed physicians if at least one nurse practitioner or physician assistant is on site. Requires clinics to report dialysis-related infection data to state and federal governments. Requires state approval for clinics to close or reduce services. Prohibits clinics from discriminating against patients based on the source of payment for care.

*Prop 24 – Unofficial Result: YES*

*Amends consumer privacy laws.*

Permits consumers to: (1) prevent businesses from sharing personal information; (2) correct inaccurate personal information; and (3) limit businesses' use of "sensitive personal information"—such as precise geolocation; race; ethnicity; religion; genetic data; union membership; private communications; and certain sexual orientation, health, and biometric information. Changes criteria for which businesses must comply with these laws. Prohibits businesses' retention of personal information for longer than reasonably necessary. Triples maximum penalties for violations concerning consumers under age 16. Establishes California Privacy Protection Agency to enforce and implement consumer privacy laws, and impose administrative fines. Requires adoption of substantive regulations.

*Prop 25 – Unofficial Result: NO*

*Referendum to overturn a 2018 law that replaced money bail system with a system based on public safety risk.*

If this petition is signed by the required number of registered voters and timely filed, a referendum will be placed on the next statewide ballot requiring a majority of voters to approve a 2018 state law before it can take effect. The 2018 law replaces the money bail system with a system for pretrial release from jail based on a determination of public safety or flight risk, and limits pretrial detention for most misdemeanors.

### Public Banking, iBank and Banking Issues

Back in April the Governor announced the formation of a state Task Force on Business and Jobs Recovery. The Task Force is co-chaired by Governor Newsom's Chief of Staff Ann O'Leary and philanthropist, environmentalist and businessman Tom Steyer, who was also appointed Chief Advisor to the Governor on Business and Jobs Recovery. Members of the Task Force included Senate President pro Tempore Toni Atkins, Assembly Speaker Anthony Rendon, Senate Minority Leader Shannon Grove, Assembly Minority Leader Marie Waldron, former Federal Reserve Chair Janet Yellen, Walt Disney Company Executive Chairman Bob Iger, former head of the Small Business Administration Aida Álvarez and dozens of other leaders in business, labor, health care, academia and philanthropy.

The Task Force has been working to develop actions government and businesses can take to help Californians recover as fast as safely possible from the COVID-19 induced recession and to shape a fair, green, and prosperous future. On November 20<sup>th</sup>, the Governor released the Task Force on Business and Jobs Recovery Report. The report affirmed the State's health-first approach as the foundation for a safe

and sustainable reopening and highlighted innovative proposals and partnerships launched by the Task Force. The Governor ended the taskforce upon issuance of the report.

*The report outlines the following principles as stated in the Governor's press release:*

- Preserve California's competitive edge: Supporting the needs of businesses in the state is essential to our short- and long-term recovery and to safeguarding California's status as the nation's engine of innovation and growth.
- Expand efforts to create quality jobs for all Californians: A truly sustainable recovery must create quality jobs and equitable pathways to them. This is particularly important for communities most impacted by the pandemic and recession, which have been historically locked out of these opportunities.
- Focus on sectors that correlate to California's strengths: California's strongest and most resilient sectors should be a core focus of ongoing recovery strategies to develop quality jobs that meet the growing demand. The care economy, including childcare and elder care, is a prime example of a growth industry in California.
- Pursue inclusive regional strategies that leverage each region's assets and mix of industries: COVID-19 has had a disproportionate impact on the state's diverse regions based on the industries concentrated in each. Strategies should recognize the varied conditions on the ground and encourage cross-sector partnerships at the regional level to drive economic recovery.
- Continue to support essential workers: The state must continue to focus on protecting essential workers who bear an increased risk of exposure to the virus. The Task Force has assisted efforts to increase the production of PPE, expand access to testing and enhance workplace safety.
- Expand support and provide flexibility to small businesses: Small businesses are the cornerstone for our economic growth. California should continue to build on its supports for small businesses, especially those owned by women and people of color and operating in economically distressed areas.
- Continue efforts to close the digital divide: The pandemic has demonstrated that access to quality, affordable internet and devices is critical to success in school and in business. The work to bridge the digital divide must continue in order to support a sustainable, long-term recovery.
- Promote telemedicine: The Task Force identified telemedicine as a way to provide essential care to more Californians, building on the gains in virtual health made during the pandemic and improving access, affordability and equity of care.
- Incorporate equity and sustainability at every stage of the recovery effort: This year's historic wildfires have underscored the critical need to bolster the state's resilience to climate impacts and support California's carbon-neutral economy. At the same time, the state must help create jobs and opportunities for industries that will likely decline amid the transition to a carbon neutral-economy, and for the communities that will be impacted.

As stated in the report, the members of the Taskforce also spearheaded the California Rebuilding Fund, a new public-private partnership to increase access to capital and support to the smallest businesses in under-banked communities across California. The Fund builds on the Governor's allocation in April of \$50 million of emergency funds for the California Infrastructure and Economic Development Bank (IBank) to launch a microloan guarantee program for the smallest small businesses that had difficulty accessing federal disaster relief.

To date, that program has served 625 small businesses and helped save or create over 3,000 jobs. However, members of the Task Force recognized that this was insufficient for the scale of the problem, because community lenders were short capital to lend that could benefit from IBank guarantees. So the Task Force got to work on a new entity to drive large amounts of capital to community lenders. The

Governor allocated \$25 million and supported new authorities to IBank that enabled them to anchor this public-private partnership.

Last session, Assemblymember Miguel Santiago amended AB 310 to establish the Infrastructure and Economic Development Bank Commission and place the I-Bank under the supervision of the commission. The bill was heard on August 3<sup>rd</sup>, but no vote was taken and the bill is now dead for the year.

AB 78 was the IBank Budget Trailer Bill in July, which:

1. Established a Climate Catalyst Revolving Loan Fund at the Infrastructure and Economic Development Bank to receive funds from non-state governmental entities and private sources for the purpose of making loans for climate catalyst projects that further the state's climate goals. These moneys are available for expenditure upon appropriation by the Legislature. The Strategic Growth Council will advise the Legislature on categories to fund and a report on the projects funded would be prepared annually.
2. Limited the total amount of rate reduction bonds and bonds issued to finance public development facilities that may be outstanding at any one time to \$15 billion. Currently, the limit for rate reductions bonds is \$10 billion and the limit for bonds to finance public development is \$5 billion. This change does not increase the total authority, rather it combines the limits allowing for more flexibility between the categories.
3. Authorized IBank's board to establish one or more programs administered by the bank directly, in conjunction with financial companies or financial institutions, in direct or indirect participation with special purpose entities established for small business finance or under contract with small business financial development corporations.
4. Authorized IBanks to establish any and all programs pursuant to the Assistance Act and the Law that it determines necessary or desirable to directly or indirectly assist small businesses obtain capital.

Other programs that the IBank has is the California Lending for Energy and Environmental Needs (CLEEN) Center, which provides direct public financing to Municipalities, Universities, Schools and Hospitals (MUSH borrowers) to help meet the State's goals for greenhouse gas reduction, water conservation, and environmental preservation. The CLEEN Center offers two programs: the Statewide Energy Efficiency Program (SWEEP) and the Light Emitting Diode Street Lighting Program (LED). Financing can be through a direct loan from IBank or through publicly offered tax-exempt bonds in amounts from \$500 thousand to \$30 million.

As well as the Infrastructure State Revolving Fund (ISRF) Program, which provides financing to public agencies and non-profit corporations, sponsored by public agencies, for a wide variety of infrastructure and economic development projects (excluding housing). ISRF Program funding is available in amounts ranging from \$50,000 to \$25 million with loan terms for the useful life of the project up to a maximum of 30 years.

Meanwhile, one of the last bills approved and sent to the Governor on August 31<sup>st</sup> contained the Governor's DBO expansion. AB 1864 (Limon) would reorganize and rename the Department of Business Oversight (DBO), to clarify DBO's authority to enforce provisions of the federal Dodd-Frank Wall Street Consumer Financial Protection Act of 2010 over existing licensees, protect consumers from unlawful, unfair, deceptive, or abusive acts or practices, and expand DBO's jurisdiction to cover currently unlicensed persons that offer or provide consumer financial products and services in California.

## *Public Banking*

Senate Governance & Finance and Banking and Financial Institutions Committees held an informational hearing titled “A State Bank? There Is Interest, But Does It Make Cents?” on November 23, 2020, which follows the Governance & Finance Committee’s consideration of AB 310 (Santiago, 2020). At the hearing, the Committees heard from public banking advocates regarding potential benefits and options for implementation, then from the two state Constitutional officers, the Controller and the Treasurer, charged with state fiscal management regarding how a state public bank could affect their duties, while the third panel was comprised of leaders of other state agencies with potential roles regulating or implementing a state public bank. Lastly, the Committee heard from other stakeholders who have been involved in prior legislation regarding public banking and access to capital for disadvantaged communities.

### *AB 857 (Chapter 442, Statutes of 2019)*

On October 2, 2019, Governor Newsom signed AB 857 (Chapter 442, Statutes of 2019). The bill established a process for a local agency to apply for a public bank charter from the Department of Business Oversight. The bill specified that a local agency would need to meet the same general requirements and approval criteria as existing law requires of a private sector applicant for a banking license, including obtaining deposit insurance provided by the Federal Deposit Insurance Corporation. The bill authorized the Commissioner of Business Oversight to promulgate regulations for the purpose of carrying out the Commissioner’s duties under the new law.

Under the proposed bill and existing law, both the DBO and FDIC would provide routine supervision and examinations of a public bank to evaluate the nature of the bank's operations, the adequacy of the bank's internal controls and its internal audit function, and the bank's compliance with laws and regulations. If weaknesses are identified, the regulators have tools to correct deficiencies in the bank's risk management practices and address weaknesses in the bank's operations.

A public bank may engage in banking activities, including infrastructure lending, wholesale lending, participation lending, and certain retail activities. A public bank may not compete with local financial institutions or engage in certain retail activities without partnering with a local financial institution. The DBO is prohibited by law from licensing more than two public banks per calendar year and more than ten public banks in total.

To expedite the rulemaking process, the Commissioner intends to issue regulations in phases. The first phase will focus on general definitions and application requirements. This will enable the Commissioner to provide guidance on those areas, which are most immediately relevant to stakeholders and enable implementation of the law as timely as possible.

Subsequent rulemaking phases will address areas that are specific to licensees, which may need clarification in the context of public banks, including examination and reporting requirements and collateralization of local agency deposits. The Commissioner requested input from stakeholders in March 2020 in order to develop regulations to clarify certain definitions and the application requirements to organize and establish a public bank pursuant to Financial Code section 1020.

## *Cannabis Banking*

AB 1525 (Jones-Sawyer) The bill clarifies that no state law will prohibit an entity from providing financial services, as specified, to a licensed cannabis business, and permits a cannabis business to authorize a state regulatory agency to share the business' track-and-trace data with financial institutions. AB 1525 was signed into law on September 29th.

### *Other Legislation*

#### **AB 3088 (Chiu)**

The bill establishes a moratorium on evictions for non-payment of rent due to COVID-19 financial hardship, subject to numerous conditions, until January 31, 2021. The bill was enrolled and chaptered on August 31<sup>st</sup>.

**AB 2463 (Wicks)** This bill which was sponsored by the California Low-Income Consumer Coalition, would end the ability of creditors to use unsecured consumer debts, such as credit card, medical, and student loan debt, as devices to force the sale of debtors' homes. The bill was signed into law on September 29th.

**AB 2501 (Limon)** would have provided for temporary forbearance and affordable post-forbearance repayment options for borrowers facing financial hardship during the COVID-19 emergency and 180 days thereafter, related to mortgages, automobile financing, PACE assessment contracts, and deferred deposit transactions, as specified. The bills didn't receive enough votes to pass on the Assembly Floor and is now dead for the year.

### Request to Continue Critical 1115 Federal Waiver

On September 16, 2020, DHCS submitted a request to extend the Medi-Cal 2020 Section 1115 waiver for twelve months to the Centers for Medicare & Medicaid Services (CMS). If approved, the extension would delay expiration from December 31, 2020, until December 31, 2021. DHCS will continue to work with CMS on the 1115 and 1915(b) waiver renewal requests that would become effective January 1, 2022.

DHCS and stakeholders worked to have California Advancing and Innovating Medi-Cal (CalAIM), replace the current waiver set to end December 31, 2020. As a result of the COVID-19 pandemic, CSAC and county partners requested a delay in the termination of our current waivers, and the implementation of numerous CalAIM proposals.

CSAC strongly supports DHCS's request for a 1-year extension in light of the COVID-19 pandemic.

### CSB Position Bills 2020

#### *AB 6 (Reyes) Attorney General: duties.*

The bill would have authorized the Attorney General to enter into a settlement agreement with opioid manufacturers on the state's behalf and would have blocked local governments from suing the companies responsible for the opioid crisis. The County, CSAC and other local governments strongly opposed AB 6 in the last few days of session. The Legislature adjourned without taking up AB 6, while AB 6 was heard in Senate Budget and Fiscal Review Committee Saturday, it was not voted on and no further action was taken to move the bill from the Committee.

#### *AB 56 (E. Garcia) Electricity: procurement by the California Alternative Energy and Advanced Transportation Financing Authority*

This bill would have required the California Public Utilities Commission (CPUC) to empower the California Alternative Energy and Advanced Transportation Financing Authority (CAEATFA) to undertake backstop procurement of electricity that would otherwise be performed by an electrical corporation to meet state resource adequacy, integrated resource planning, and renewable portfolio

standard goals not satisfied by retail sellers or load-serving entities. This was a two-year bill that failed deadline and died in the Senate. The County was opposed to AB 56.

*AB 107 (Committee on Budget) State government*

The bill includes language to extend the deadline for decisions in pending assessment appeals cases beyond the Governor's recent Executive Order to March 31, 2021, and provides explicit statutory authority to conduct assessment appeals hearings remotely. These important provisions will allow counties to safely conduct assessment appeals hearings and ensure that boards are able to finalize rulings on appeals that are nearing the statutory deadline. AB 107 was signed into law on September 29th. The County is in support of the bill.

*AB 196 (Gonzalez) Worker's Compensation for Essential Workers*

The bill would have extended a rebuttable conclusive presumption to all essential employees, as defined, that COVID-19 is an industrial injury. This bill was classified as the most concerning bill out of the three worker's comp bills by the California Coalition on Worker's Compensation. AB 196 did not move off the Senate Floor and is dead for the year. The County joined in opposition with the CCWC and CSAC.

*AB 245 (Muratsuchi) California Aerospace and Aviation Commission: establishment*

The bill would have established the California Aerospace and Aviation Act of 2019 and created the California Aerospace and Aviation Commission (Commission) within the Governor's Office of Business and Economic Development (GO-Biz) to support and serve as a central point of contact for businesses engaging in the aerospace and aviation industries in California. This was a two-year bill that failed deadline and died in the Senate. The County supported the bill.

*AB 388 (Limon) Alzheimer's disease.*

AB 388 would have required the Department of Public Health (CDPH) to implement the Healthy Brain Initiative. This was a two-year bill that failed deadline and died in the Senate. The County supported the bill.

*AB 409 (Limon) Climate change: agriculture: Agricultural Climate Adaptation Tools Program: grants*

This bill would have established the Agricultural Climate Adaptation Tools Program and established pilot projects in the Central Valley, Central Coast, and desert regions of the state. This was a two-year bill that failed deadline and died in the Senate. The County supported the bill.

*AB 516 (Chiu) Authority to remove vehicles.*

AB 516 would have deleted the authority for law enforcement and local officials to tow and impound, or immobilize a vehicle that has five or more delinquent parking tickets or traffic violations. This was a two-year bill that failed deadline and died in the Senate. The County supported the bill.

*AB 664 (Cooper) Workers' compensation: injury: communicable disease*

The bill would have until July 1, 2024, define "injury," for certain state and local firefighting personnel, peace officers, certain correctional and law enforcement personnel, as described, certain health care employees who provide direct patient care at an acute care hospital, and certain fire and rescue services coordinators who work for the Office of Emergency Services to include illness or death resulting from COVID-19, that is diagnosed on or after January 1, 2020, if certain circumstances apply.

The County joined in opposition with the California Coalition on Worker's Compensation (CCWC) and CSAC. AB 664 did not move off the Senate Floor and is dead for the year.

*AB 1659 (Bloom) Large electrical corporations: wildfire mitigation: securitization*

This measure would have authorized the use of an existing ratepayer surcharge paid by customers of the state's three investor-owned utilities (Southern California Edison, San Diego Gas and Electric, and Pacific Gas and Electric) to instead be used as a revenue source to repay \$3 billion in bonds to fund wildfire risk reduction projects, health and wildfire resilience efforts, and projects that reduce greenhouse gases. AB 1659 was moved to the Senate Floor where it was not taken up. While a number of members were engaged in discussions for a few hours on Sunday and Monday about securing \$500 million in budget funding for wildfire risk reduction and resilience efforts, the last-minute nature of that effort made it a significant challenge to get over the legal and practical hurdles to execute such a deal. The Legislature adjourned without taking up AB 1659, therefore it is dead for the year. The County was in support of the bill.

*AB 3214 (Limon) Oil and gas: oil spills: financial security, fines, and penalties*

The bill doubles the certificate of financial responsibility (COFR) for tank and nontank vessels to ensure that vessels have adequate financial resources to pay cleanup and damage costs in the event of an oil spill. Doubles specified maximum and minimum financial penalties for specified violations, including failing to notify specified state and federal agencies of the discharge of oil and the discharging of oil into waters of the state. The Governor signed AB 3214 (Limon) on September 24<sup>th</sup>. The County was in support of the bill.

*SB 144 (Mitchell) Criminal fees*

This bill would have eliminated numerous fees imposed on criminal offenses and Vehicle Code violations. Although SB 144 failed to meet deadline and died in the Assembly, trailer bill AB 1869 has been signed into law and repeals the authority to collect various criminal justice administrative fees upon conviction or arrest but would also appropriate \$65 million annually for five years to counties to backfill associated revenue losses.

*SB 182 (Jackson) Local government: planning and zoning: wildfires*

This bill imposes certain fire hazard planning responsibilities on local governments and requires cities and counties to make specified findings on fire standards prior to permitting development in the very high fire hazard severity zone. The County of Santa Barbara is in support. SB 182 was vetoed by the Governor on September 30<sup>th</sup>. The Governor stated in his veto message that, "This bill would impose certain fire hazard planning responsibilities on local governments and would require cities and counties to make specified findings on fire standards prior to permitting development in the very high fire hazard severity zone. I strongly support strengthening land use planning requirements in order to better protect our communities from wildfire. The importance of reducing the number and impact of fires in our communities cannot be overstated. However, this bill creates inconsistencies, duplicates existing requirements, creates a loophole for regions to not comply with their housing requirements, fails to account for consequences that could increase sprawl and places significant cost burdens on the state. New state laws and policies are already directing housing to communities near transit, jobs and urban centers and away from fire risk areas, including integration into the current housing planning cycle. Additionally, the 2019-20 Budget requires the California Department of Housing and Community Development, in collaboration with the Governor's Office of Planning and Research, to develop recommendations to improve the regional housing need allocation process to promote and streamline housing development to address California's housing shortage. Wildfire resilience must become a more consistent part of land use and development decisions. However, it must be done while meeting our housing needs."

*SB 217 (Portantino) Recreational and organizational camps*

The bill would have required a person who operates an organized or recreational camp to obtain a license issued by a local health agency (LHAs). The bill had an opposed unless amended position by the County and CSAC. This bill failed deadline and died in the Assembly. The County opposed this bill.

*SB 346 (Jackson) After school programs: Distinguished After School Health Recognition Program.*

This bill would have reestablishes the Distinguished After School Health (DASH) program at the California Department of Education (CDE), which recognizes afterschool programs that meet certain health requirements, including training staff on healthy eating and physical activity, providing healthy food and drinks to children and providing children with physical activity and limited screen time. This was a two-year bill that failed deadline and died in the Assembly. The County supported the bill.

*SB 794 (Jackson) Emergency services: telecommunications*

This bill would have expanded existing authority granted to counties by authorizing cities and postsecondary institutions that receive state funds to access the contact information of residents, students, and employees for the sole purpose of enrolling individuals in a local government-, university-, or college-operated public emergency warning system and provides for notification of enrollment and a process for opting out. The bill did not meet the deadline and died in Assembly. The County was in support of this bill.

*SB 823 (Committee on Budget and Fiscal Review) Juvenile justice realignment: Office of Youth and Community Restoration*

The bill proposes to close the Division of Juvenile Justice (DJJ) facilities and realign the responsibility of youthful offenders to counties. The County along with CSAC and other local governments opposed SB 823. SB 823 was signed into law on September 30th.

*SB 1069 (Jackson) Telecommunications: emergencies and natural disasters: critical communications infrastructure*

This bill would have required telecommunications providers to report specified information regarding the location and status of telecommunications infrastructure and performance of emergency alert messages to local and state emergency management offices. This bill also would have required telecommunications providers to submit specified information about the performance of the Wireless Emergency Alert (WEA) system to the California Public Utilities Commission (CPUC). The bill was held on the Senate Appropriations Committee Suspense File and is dead for the year. The County was in support of this bill.

*SB 1159 (Hill) Workers' compensation: COVID-19: critical workers*

The bill codifies the Governor's Executive Order (N-62-20) that created a rebuttable presumption that "essential employees" who contracted COVID-19 were infected on the job, and establishes the scope and terms of a similar presumption for infected employees outside of the Executive Order. SB 1159 was signed into law on September 17<sup>th</sup>. The County was in opposition along with the California Coalition on Worker's Compensation (CCWC), who are looking to do some clean-up legislation next year.

*SB 1207 (Jackson) Skilled nursing facilities: backup power system.*

This bill would have required skilled nursing facilities to have an alternative source of power to protect resident health and safety for no less than 96 hours during any type of power outage that complies with specified federal requirements. SB 1159 was vetoed by the Governor on September 25<sup>th</sup> with the following veto message: "Skilled Nursing Facilities are a central part of our system of care for vulnerable individuals. As such, it is important that they have sufficient emergency backup power in the event of a power interruption. However, this bill relies on an unclear federal standard as justification. Moreover, the timely for implementing this bill is unfeasible given the need for significant renovations that facilities

would need to complete to comply with this bill. I am directing the California Department of Public Health and the Office of Statewide Health Planning and Development to convene a stakeholder group to ensure that relevant experts can fully assess alternatives and develop recommendations to appropriately address resident and staff safety in the event of a power shut-off by April 1, 2021. This approach will identify recommendations regarding an emergency power standard that protects patients and allows facilities to make necessary upgrades in a timely manner.” The County was in support of this bill.

### Conclusion

A new Legislature will convene on December 7, 2020 for an organizational session to begin the 2021-22 Legislative Session. We look forward to discussing future priorities in the 2021-22 Legislative Session and will continue to work with staff and keep the committee and Board updated. As always, should you or your staff have any questions, please don't hesitate to let us know.