

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate  
Kristina Gallagher

RE: 2021 April Update

DATE: April 27, 2021

The Legislature reconvened from the Legislative Spring Recess on April 5<sup>th</sup> and is now processing hundreds of bills through policy committees, while the Department of Finance and the Administration is getting ready to issue the May Revise on May 14<sup>th</sup>. The Senate and Assembly budget committees will be meeting throughout May and June to complete the final budget package which must be agreed upon by both houses and the Governor. The final budget bill must be passed by June 15<sup>th</sup>.

On April 14<sup>th</sup>, Senate Leadership along with the Senate Budget and Budget-Sub Committee Chairs released their proposed budget priorities. Senator Pro Tempore Toni Atkins stated in the press release, “The Senate’s ‘Build Back Boldly’ budget gives us a once-in-a-generation chance to make transformational change in California...California has long led the nation on things like expanding health care for the middle class and undocumented immigrants, providing paid family leave and a higher minimum income, and establishing our own Earned Income Tax Credit. With the Build Back Boldly budget, the Senate continues to prioritize smart investments that take care of Californians and take California into the future.”

*The Senate’s proposal includes:*

- \$20 billion in homelessness response funding to fund the acquisition and rehabilitation of multi-family housing, motels, and board and care facilities to convert to permanent housing for homeless very low-income Californians. Funds would also support local efforts to reduce homelessness by providing multi-year support for local governments to offer transition services for those experiencing homelessness to exit to permanent housing.
- Unspecified investments in state and local public health infrastructure to achieve improved population health and maintain vigilance against future infectious disease outbreaks.
- Unspecified investment in broadband infrastructure “to achieve universal internet access” using federal stimulus funds, at least in part.
- \$1 billion for public library infrastructure and technology, including facility upgrades, broadband deployment, and devices and hotspots for users to check out. Eliminate library debt and provide ongoing sustainable funding for libraries.
- Unspecified multi-year funding for wildfire prevention and resiliency programs.
- \$2 billion drought protection including \$300 million for groundwater assistance to agricultural and local and regional agencies.

CSAC held its annual Legislative Conference on April 21-23, which included State Senator Alex Padilla as the keynote speaker, as well as multiple policy committee hearings and workshops on housing which provided counties with an overview of how housing is created and financed and a workshop on employment that examined what counties should consider when they start the complex task of returning virtual employees to the workplace and creating the workplace of the future.

April 30<sup>th</sup> will be the deadline for policy committees to meet and report to fiscal committees' fiscal bills introduced in their house, while the deadline for policy committees to meet and report to the floor non-fiscal bills that were introduced in their house is on May 7<sup>th</sup>. May 14<sup>th</sup> will be the last day for policy committees to meet prior to June 7<sup>th</sup>. We have invited our Delegation to speak at our May and June virtual Legislative Program Committee meeting in order to get an update on the budget and their updated legislative priorities. Senator Limon is confirmed to speak at our May meeting, while Assemblymember Bennett is confirmed to speak at our June meeting.

### Fracking

On April 23<sup>rd</sup>, Governor Gavin Newsom directed the Department of Conservation's Geologic Energy Management (CalGEM) Division to initiate regulatory action to end the issuance of new permits for hydraulic fracturing ("fracking") by January 2024.

Additionally, Governor Newsom requested that the California Air Resources Board (CARB) analyze pathways to phase out oil extraction across the state by no later than 2045. "The climate crisis is real, and we continue to see the signs every day," said Governor Newsom. "As we move to swiftly decarbonize our transportation sector and create a healthier future for our children, I've made it clear I don't see a role for fracking in that future and, similarly, believe that California needs to move beyond oil."

Under this directive, CalGEM will immediately initiate the rulemaking to halt the issuance of new hydraulic fracturing permits by 2024.

In addition to instituting more rigorous review of hydraulic fracturing permit applications, CalGEM continues to operationalize its updated mandate to protect public health and the environment. This includes:

- Developing a new health and safety regulation to protect workers and communities near oil fields.
- Implementing new regulations that prohibit surface expressions and placing a moratorium on high-pressure cyclic steam injection, which has been linked to surface expressions.
- Integrating independent experts from the Lawrence Livermore National Laboratory and the Department of Finance's Office of State Audits and Evaluations to recommend further improvements to CalGEM's permitting process.
- Increasing financial bonding requirements on oil companies to ensure adequate closure of defunct wells and clean-up of inactive oil fields.

The Governor's actions build on the Governor's September 2020 executive order, which called for an end to fracking and to accelerate California's transition away from gasoline-powered cars and trucks and reduce demand for fossil fuels.

### State Budget

Governor Newsom submitted his 2021-22 budget proposal to the Legislature on January 8<sup>th</sup>.

#### ***Early Budget Action Agreement***

On February 17<sup>th</sup>, the Governor and Legislative Leadership reached on an agreement on an immediate action COVID-19 relief budget package. The Governor signed the immediate action budget bills on February 23<sup>rd</sup>, totaling in \$7.6 billion in economic stimulus measures. The agreement included:

### *Direct Relief to Individuals and Families*

The agreement incorporated the Governor's Golden State Stimulus plan to assist California households with incomes below \$30,000, as well as those excluded from previous federal stimulus payments. The agreement provided \$600 in one-time relief to households receiving the California EITC for 2020. In addition, the agreement provided a \$600 one-time payment to taxpayers with Individual Tax Identification Numbers (ITINs) who were precluded from receiving the \$1,200 per person federal payments issued last spring and the more recent \$600 federal payments. It also provides \$600 payments to households with ITINs and income below \$75,000. ITIN taxpayers who also qualify for the California EITC will receive a total of \$1,200. The payments will be provided to these households shortly after they file their 2020 tax returns.

The agreement also provided direct relief to additional lower-income Californians through a \$600 one-time grant to households enrolled in the CalWORKS program and recipients of SSI/SSP and Cash Assistance Program for Immigrants (CAPI). Grant payments for CalWORKS households are expected by mid-April; timing for the delivery of SSI/SSP and CAPI grants is currently under discussion with federal officials. Combined, the package represents a total of 5.7 million payments to low-income Californians.

### *Immediate Relief for Small Businesses Quadrupled*

Provided \$2.1 billion for grants up to \$25,000 for small businesses impacted by the pandemic, and allocated \$50 million of this total for non-profit cultural institutions.

### *Fee Waivers for Most Impacted Licensees*

Two years of fee relief for roughly 59,000 restaurants and bars licensed through the state's Department of Alcoholic Beverage Control that can range annually from \$455 to \$1,235. The action also reflected fee relief for more than 600,000 barbering and cosmetology individuals and businesses licensed through the Department of Consumer Affairs.

### *More Resources for Critical Child Care*

Addition of just over \$400 million in new federal funds to provide stipends of \$525 per enrolled child for all state-subsidized child care and preschool providers serving approximately 400,000 children in subsidized care statewide. The new federal resources will extend care for children of essential workers through June of 2022, and funds increased access to subsidized child care for more than 8,000 children of essential workers and at-risk children – who are not currently served in the system – through June of 2022.

### *Additional Aid for Individuals and Families*

Provided an additional \$24 million for financial assistance and services through Housing for the Harvest – a program providing support for agricultural workers who have to quarantine due to COVID-19. The effort also provided a combined \$35 million for food banks and diapers.

### *Emergency Financial Relief to Support Community College Students*

Provided an additional \$100 million in emergency financial aid for qualifying low-income students carrying six or more units, with award amounts to be determined locally and made available by early

April. In addition, the agreement provided \$20 million to reengage students who have either left their community college studies because of the pandemic or to engage students at risk of leaving.

#### *CalFresh Student Outreach and Application Assistance*

Provided roughly \$6 million to support outreach and application assistance to University of California, California State University and California Community College students made newly eligible for CalFresh – the state-administered federal program for supplemental food assistance. The agreement also provided \$12 million in state funds to support associated county administrative workload.

*In addition, the following provision was included:*

Restoration of the previously enacted reductions, effective July 1<sup>st</sup>, for the University of California, California State University, the Judicial Branch, Child Support Services and for moderate-income housing.

The agreement was included in a number of budget bills that were signed by the Governor on February 23<sup>rd</sup>, including:

- AB 81 by Assemblymember Philip Ting (D-San Francisco) – COVID-19 relief.
- AB 82 by Assemblymember Philip Ting (D-San Francisco) – COVID-19 pandemic emergency: contact tracing: childcare.
- AB 85 by the Committee on Budget – Budget Act of 2020.
- SB 87 by Senator Anna Caballero (D-Salinas) – California Small Business COVID-19 Relief Grant Program: income tax: gross income: exclusion: small business grants.
- SB 88 by the Committee on Budget and Fiscal Review – One-time stimulus payment: delinquent accounts: Earned Income Tax Credit: statements.
- SB 94 by Senator Nancy Skinner (D-Berkeley) – Alcoholic beverage control: barbering and cosmetology: license renewal fees: waiver.

#### *Continued Homekey Acquisitions*

The Governor's January budget proposal looks to build off the \$846 million allocated for Project Homekey acquisitions and operations to-date. This includes \$750 million one-time General Fund for the Department of Housing and Community Development to continue providing competitive grants for local governments to purchase and rehabilitate housing, including hotels, motels, vacant apartment buildings, and other buildings, and convert them into interim or permanent long-term housing.

#### *COVID-19 Relief – Federal Funding – Transportation*

The federal spending and COVID-19 relief bill includes \$10 billion in supplemental funding allocated to state departments of transportation. California will receive approximately \$912 million from the bill. This funding will have slightly broader eligible uses than typical federal transportation funds.

The Governor's budget did not include a specific proposal for the use of this funding, but it did highlight the significant fuel tax revenue losses to the state and local governments as a result of the COVID-19 pandemic.

The California Transportation Commission (CTC) held three workshops on the Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (H.R. 133) before the CTC Commission Meeting on March 24<sup>th</sup> for the purpose of discussing ideas on how to distribute funds since there are multiple allowable uses of the funds. The Act allows for funds to be used for cost of maintenance, operations, debt service payments, tolling agencies, and can be used for activities eligible under the STBG program. There was a large stakeholder open discussion on what distribution formula should be used and what CTC should recommend to the Agency. While there was no specific outcome, some of the ideas that were thrown around included a 60% split for state and 40% for regions and locals, distributing funds through the traditional STIP process or create a brand new program. CSAC did not weigh in on the formula issue but stated that regions should definitely get a share and that there should definitely be funding allocated to the bridge, ATP and HSIP programs.

Staff recommends the Commission adopt Resolution G-21-39 (Attachment A), which specifies using California's \$911.8 million apportionment from the federal Coronavirus Response and Relief Supplemental Appropriations Act for "highway infrastructure programs" as follows:

State Programs (60 Percent): \$547.1 Million

- \$486.3 million: State Highway Operation and Protection Program (SHOPP)
- \$60.8 million: Interregional Improvement Program\*

Regional Programs (40 Percent): \$364.7 Million

- \$182.4 million: Regional Improvement Program\*
- \$182.4 million: Surface Transportation Block Grant Program

The CTC Staff stated that this recommendation achieves the following objectives:

- It recognizes that federal funds are needed to make up funding shortfalls in existing transportation programs due to the impacts of the COVID-19 pandemic.
- It balances funding needs for the state and regions based on the "60/40" federal funding split historically used by California.
- For regions, it balances geographic equity concerns with the stated need by some agencies to be able to use funds for operations and other non-capital expenses.

The CTC Staff stated that this is the same split used by California for programmatic funding received under recent federal surface transportation legislation, including the Fixing America's Surface Transportation Act. It also approximates the split of state gasoline excise tax revenues between the state and local jurisdictions and the proposed "60/40" split garnered broad consensus.

\* The Interregional Improvement Program and Regional Improvement Program comprise 25 percent and 75 percent, respectively, of the State Transportation Improvement Program (STIP). Thus, a total of \$243.2 million will be distributed through the STIP.

The other question addressed at the workshops was what specific state and regional programs to fund. Consistent with a legislative recommendation included in the Commission's 2020 Annual Report to the Legislature, CTC staff emphasized the need to use the federal funds to make up funding shortfalls in existing programs that have occurred due to the COVID19 pandemic, rather than create new programs.

This is also consistent with the federal Act, which was passed in response to funding challenges caused by the pandemic. For the 60 percent for state programs, there was broad consensus to fund the SHOPP, which has experienced a significant loss of funding due to the COVID-19 pandemic and is a critical

program for successful implementation of the Road Repair and Accountability Act of 2017. To the extent funds were used for the STIP, the Interregional Improvement Program also would be funded from the 60 percent. Most discussion at the workshops therefore focused on three main options that emerged for the 40 percent for regional programs:

- Option 1: Regional Improvement Program
- Option 2: Surface Transportation Block Grant Program
- Option 3: Half Option 1 and Half Option 2

Commission staff recommend Option 3. To alleviate concerns from some rural agencies that they would receive almost no funds through the Surface Transportation Block Grant Program, Commission staff recommend setting a minimum of \$200,000 for this program. The next step is to approve guidelines, which CTC plans to do at their next meeting in May.

### ***Wildfire and Forest Resilience***

On April 8<sup>th</sup>, Governor Gavin Newsom, Senate President pro Tempore Toni G. Atkins and Assembly Speaker Anthony Rendon announced \$536 million (\$411 million General Fund and \$125 million Greenhouse Gas Reduction Fund (GGRF) in early action (current year, 2020-21) to address wildfire prevention and resilience issues.

The Governor signed the wildfire budget bill - SB 85 on April 13<sup>th</sup>. The legislative package builds on Governor Newsom's early action funding for wildfire resilience proposed in his 2021-2022 state budget. "California is taking bold, early action to protect our high-risk communities from the upcoming wildfire season before it starts," said Governor Newsom. "This crucial funding will go towards efforts including fuel breaks, forest health projects and home hardening. I thank the members of the Legislature for their partnership as we do more than ever before to build wildfire and forest resilience across the state."

Some highlights in SB 85 include:

- \$155M for healthy forest and fire prevention programs
- \$15M for prescribed fire projects
- \$10M for vegetation management and forest health improvement, with a focus on small landowners
- \$27M for community hardening, defensible space, emergency shelters and alert systems
- \$50M for the Regional Forest and Fire Capacity Program to develop coordinated and integrated regional approaches in new regional coverage areas and to continue developing capacity and implement projects in existing regional coverage areas
- \$6M for workforce training and development programs
- \$16 million to IBank for the Climate Catalyst Fund, which is a revolving loan fund established to finance climate-related projects.

Governor Newsom also announced earlier in April that he is expanding and refocusing the Forest Management Task Force to deliver on key commitments in the Wildfire and Forest Resilience Action Plan issued in January, including the \$1 billion in investments. The Wildfire and Forest Resilience Task Force of federal, local and tribal leaders builds on the state's collaborative effort to improve the health of forests and reduce wildfire risk to communities.

### ***Zero Emission Vehicles***

The Administration has proposed securitizing approximately \$1 billion of vehicle registration fees, which were set to expire in 2024, to support the expansion of the California Energy Commission's Clean Transportation Program. The budget also includes \$50 million General Fund (one-time) to support the installation of charging stations at state-owned facilities. An additional \$465 million from Cap-and-Trade funds is proposed to improve access to new and used zero-emission vehicles, including passenger cars, trucks, medium, and heavy duty vehicles.

### ***Flood Management***

\$183 million (mainly bonds funds) for ongoing flood management programs including flood risk management, emergency flood response in the Delta, and state- federal flood projects.

### ***Coastal Protection***

\$6.5 million (plus an additional \$10 million in out-years, bond funds) to support projects that improve biodiversity and climate resilience by increasing coastal and marine ecosystem health.

### ***Water Efficiency and Sustainable Groundwater Management***

The Governor's January budget includes a one-time General Fund allocation of \$60 million for Sustainable Groundwater Management grants to support economic mitigation planning and groundwater implementation projects in critically over-drafted basins. The January budget also includes a one-time General Fund allocation of \$40 million to provide incentives that help farmers reduce irrigation water use and greenhouse gas emissions from agriculture pumping. These funds are to be split equally between the 2020-21 and 2021-22 budget years.

### ***Cap & Trade Expenditure Plan***

The Governor's proposed January budget includes the allocation of \$1.37 billion in cap and trade expenditures. The program was suspended briefly in 2020 due to revenue forecast concerns related to the pandemic. The annually appropriated revenues from cap and trade are focused on several existing program areas, including CAL Fires' forest health and fuels reduction program, support for the AB 617 Air Quality Program, and investments in low carbon transportation, such as the Clean Vehicle Rebate Program. Notably, the plan does not include funding for waste diversion to CAL Recycle to help implement our organic waste diversion requirements.

### ***Climate Catalyst Fund***

The Governor's January budget includes \$50 million one-time General Fund to the California Infrastructure and Economic Development Bank (IBank) to support Climate Smart Agriculture loans to advance climate-related on-farm programs.

### ***California Disaster Assistance Act***

The Governor's January budget includes \$256 million one-time General Fund to assist local governments during and after emergency events. Funding will be used for repair, restoration, or replacement of public

property damaged or destroyed during disaster events, and to reimburse local governments for emergency activities under a declared state of emergency.

### ***CAL Fire Additional Fire Crews***

As part of the comprehensive forest and fire response package, the Governor's January budget includes \$143 million one-time and \$124 million ongoing General Fund to support 30 additional fire crews, 16 seasonal firefighter crews, and 14 California Conservation Corps fire crews. This is complemented by a \$24 million General Fund allocation for related capital outlay costs.

### ***Natural Resources***

The Governor's January budget proposes spending \$7.4 billion for programs in the California Natural Resources Agency. Funding is focused on climate resilience, equitable access to parks and wildlands, restoration and emergency response.

### ***Deferred Maintenance for Levees, Parks and Wildlife Areas***

In addition to climate funding, the Governor's January budget includes \$75 million one-time General Fund for critical levee repair projects to enhance the state's resilience to catastrophic flooding. An additional \$20 million one-time General Fund is allocated to the Department of Parks and Recreation for critical deferred maintenance projects to enable improved access and enhanced visitor experiences. The Department of Fish and Wildlife is allocated \$6 million one-time General Fund to address the increased recreational use at state-owned properties that lack visitor amenities and basic signage.

### ***Boating and Waterways Fiscal Stability***

In order to address an ongoing structural deficit at the Department of Boating and Waterways, the Governor's January budget includes both funding shifts and statutory fee increases. The budget shifts an ongoing allocation of Harbors and Watercraft Funds to the State Water Project, to the General Fund, to continue the state's commitment to the Davis-Dolwig Act. In addition, the budget proposes increases to the vessel registration fee resulting in an anticipated \$20 million of additional ongoing revenues.

### ***Cannabis***

The 2020 Governor's January budget includes a proposal to consolidate state cannabis operations into one entity. This proposal was put on hold due to the pandemic but has been re-introduced this year. The January budget proposes to consolidate the three cannabis licensing entities into a single Department of Cannabis Control by July 2021. Currently, the Bureau of Cannabis Control, the Department of Food Agriculture, and the Department of Public Health all share unique responsibilities in licensing various parts of the cannabis industry. The Administration's proposal would centralize and align regulatory functions in a new stand-alone department that would create a single point of contact for cannabis licensees and local governments.

The budget also proposes statutory changes to establish permanent funding authority for a \$15 million local equity grant program to be administered by the Governor's Office of Business and Economic Development (GO-Biz). The funding will be directed to facilitating greater equity in business ownership and employment in the cannabis market.

Under Proposition 64, expenditures from the Cannabis Tax Fund are prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act. This is followed by research and activities related to the legalization of cannabis and the past effects of its criminalization. Once these priorities have been met, the remaining funds are allocated to youth education, prevention, early intervention, and treatment; environmental protection; and public safety-related activities. The Governor's January budget estimates \$443 million will be available of these purposes in 2021-22. The proposed allocation for the fund is as follows:

- Education, prevention, and treatment of youth substance use disorders and school retention – 60 percent (\$265.9 million);
- Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation – 20 percent (\$88.6 million);
- Public safety related activities – 20 percent (\$88.6 million).
- Administration of Justice

### ***Local Public Safety***

#### *Division of Juvenile Justice (DJJ) Realignment*

The Governor's January budget proposal notes the pending implementation of the DJJ realignment outlined in Chapter 337, Statutes of 2020 (SB 823). As a reminder, SB 823 included General Fund resources for counties of \$46.5 million in 2021-22, \$122.9 million in 2022-23, \$195.9 million in 2023-24, and \$212.7 million ongoing, beginning in 2024-25. The legislation also includes a growth factor upon full implementation. Additionally, the Board of State and Community Corrections is currently working to allocate a \$9.6 million grant program for implementation efforts. Lastly, the Governor's January Budget indicates DJJ will close on June 30, 2023.

The Administration will soon release a technical trailer bill on DJJ realignment. CSAC will be supporting a number of items in the trailer bill, including some protections for counties but is also pushing to receive the annual payments upfront.

#### *Investments in County Probation Departments*

The Governor's January budget proposal includes an early action investment of \$50 million one-time General Fund to county probation departments. These funds are meant to build off of county probation success with major prior reforms like Chapter 608, Statutes of 2009 (SB 678), 2011 Realignment, and earlier juvenile justice reforms as county probation departments prepare to implement new reforms like Chapter 328, Statutes of 2020 (AB 1950) and DJJ realignment (SB 823). These new funds may be used for a broad range of services with an emphasis on keeping juveniles and adults out of the criminal justice system, moving them quickly and successfully through the system, and keeping them from reentering the system.

Because the COVID-19 pandemic and implementation of AB 1950 have both impacted the data being utilized for the SB 678 (Community Corrections Performance Incentive Grant) calculation, the Governor's January Budget proposal also includes \$122.9 million ongoing to county probation departments for SB 678. This allocation is based on the highest payment to the individual counties over the prior three fiscal years and would be in lieu of the current statutory formula.

The Governor's January budget proposal also includes \$19.5 million in 2021-22 for county probation departments to supervise the temporary increase in the average daily population of offenders on Post-Release Community Supervision as a result of the implementation of Proposition 57.

### *2011 Public Safety Realignment*

The Governor's January Budget proposal updates revenue assumptions for 2011 Public Safety Realignment programs. As a reminder, 2019-20 was the first year that 2011 Realignment did not receive growth funding so the 2020-21 Community Corrections Subaccount base remains \$1.366 billion. The updated January revenue projections estimate Community Corrections growth of \$75.9 million in 2020-21. This would create a new base of \$1.442 billion for 2021-22. However, January estimates show revenue will not reach that level in 2021-22 and will only total \$1.408 billion, resulting in no growth for 2021-22. CSAC will provide individual county estimates in the coming weeks for the 2020-21 growth.

### **Judicial Branch**

#### *Reducing Criminal Fines and Fees for Low Income Californians*

Chapter 92, Statutes of 2020 (AB 1869) eliminated the ability of state and local agencies to impose certain administrative fees for criminal offenses, such as fees imposed to recover costs related to providing public defense and probation supervision, commencing July 1, 2021.

The County is requesting for the State to ensure that the County of Santa Barbara receives the equivalent of \$2.6 million in backfill for the revenue loss from the result of AB 1869 (Chapter 92, Statutes of 2020).

The Governor's budget last year provided a backfill of \$65 million but the backfill did not include any distribution formula. Santa Barbara County is asking that the final distribution formula ensures that the County receives the equivalent of \$2.6 million that was previously received. The County is requesting a virtual meeting with the Department of Finance to get an update on what the State will be doing.

Additionally, the Governor's January budget proposal includes \$12.3 million General Fund in 2021-22, increasing to \$58.4 million ongoing General Fund by 2024-25, to expand statewide a current eight-court pilot program that allows indigent and low-income individuals to apply online to have their fines and fees from infractions reduced in accordance with their ability to pay. This proposed funding level includes a backfill of lost trial court revenue at the state level but does not include funding to backfill local revenue impacts.

We have met with the Department of Finance (DOF) and our County Probation Department, and debriefed them on this issue, we are also setting up appointments with our delegation. We are concerned that the DOF will propose a population-based formula versus a backfill for counties losing funding as a result of AB 1869 (Chapter 92, Statutes of 2020).

#### *Trial courts*

On January 22<sup>nd</sup>, the Judicial Council approved a plan to distribute \$25 million to help trial courts address case delays caused by the COVID-19 pandemic, the remainder of \$50 million included in the 2020 Budget Act. The council will allocate the \$25 million based on each court's workload not disposed of during the pandemic period compared to the same period in 2019. The council also voted to require trial courts to report at least quarterly on their progress in reducing their COVID-19 backlogs and on how they spend the funding.

## *Health and Human Services*

### *Realignment*

The Governor's January budget proposal includes revenue assumptions for 1991 Realignment and 2011 Realignment. Due to the impacts of COVID-19, realignment revenues decreased and failed to reach base for both 1991 Realignment and 2011 Realignment in 2019-20. The Department of Finance projections for the current 2020-21 year are that revenues will increase, by about 5.6 percent above the 2019-20 levels. This would result in \$341.3 million in 1991 growth, including \$68.9 million for caseload growth, and \$188 million in 2011 growth in the Support Services Subaccount. However, revenues are then projected to decrease again in 2021-22 by 1.9 percent. We will continue to watch the Realignment revenues, especially as we get further along in the year and know more about actual revenues, rather than projections.

### *Local COVID-19 Assistance*

The Governor included a placeholder amount of roughly \$372 million in current year emergency funds for COVID-19 vaccination distribution, logistics, and a public awareness campaign to boost vaccine uptake. Department of Finance Director Keely Bosler indicated that this amount is a placeholder and that Governor Newsom would be working with the Legislature to determine the needs and spending levels for COVID-19 vaccination activities.

### *California Advancing and Innovating Medi-Cal (CalAIM)*

Governor Newsom included investments in the ambitious proposal to streamline and improve the state's Medi-Cal program which was previously delayed due to COVID-19 impacts. He proposes investing \$1.1 billion (\$531.9 million General Fund) in 2021-22, growing to \$1.5 billion (\$755.5 million General Fund) in 2023-24, to implement CalAIM initiatives proposed to begin January 1, 2022. The Governor anticipates phasing out infrastructure funding, which will be used to increase coordination between counties and health plans and implement behavioral health payment reform, in 2024-25, resulting in the ongoing funding decreasing to \$846.4 million (\$423 million General Fund) per year.

Note that the Governor also specifies that the \$750 million one-time General Fund investments to acquire real estate assets for behavioral health treatment will complement the CalAIM efforts and investments.

The Department of Health Care Services (DHCS) has begun a 30-day public comment period for the CalAIM Section 1115 demonstration (or waiver), starting on April 6 and ending on May 6. DHCS is now conducting a 30-day public comment period for the proposed CalAIM Section 1115 demonstration. Stakeholders have the opportunity to submit comments via email and written correspondence, as well as during two public webinars scheduled for April 26 and May 3.

### *In-Home Supportive Services*

The In-Home Supportive Services (IHSS) program provides assistance and services to eligible older or disabled individuals to help them remain safely in their homes. For 2021-22, the Governor's January budget proposal includes \$16.5 billion for IHSS, of which \$5.3 billion is from the General Fund. This is a 10 percent increase in General Fund costs over the 2020-21 costs. The budget proposal estimates that

average monthly caseload will increase by 3.9 percent over the prior year projection to a total of 593,000 recipients in 2021-22. These costs also reflect \$1.2 billion (\$557.6 million General Fund) for the state minimum wage increases.

### *IHSS County Administration*

The Governor's January budget proposal would no longer freeze county administration funding at the 2019-20 level. This results in \$17.8 million General Fund being included for 2021-22 to reflect adjustments for caseload and the Consumer Price Index.

### *IHSS Back-up Providers*

The Governor's January budget proposal includes a one-time extension of \$5.3 million General Fund through December 31, 2021 for the IHSS back-up provider system and back-up provider wage differential.

### *IHSS Collective Bargaining Budget Proposal*

CSAC is cosponsoring an IHSS collective bargaining budget proposal along with CAPA, CWDA, UCC, RCRC, and the two IHSS provider unions – UDW/AFSCME Local 3930 and SEIU California. The goal of this proposal is to maintain the existing IHSS collective bargaining funding mechanisms. These fiscal tools have been essential to IHSS collective bargaining progress with counties finalizing 24 new agreements under the IHSS MOE that was enacted on July 1, 2019. The County is supporting the proposal and has sent a letter in support to the budget committees.

### *Food Banks*

The Governor's January budget proposal includes \$30 million one-time General Fund for the Department of Social Services to fund food banks and existing Emergency Food Assistance Program providers. This funding would be used to mitigate increases in nutrition assistance needs of Californians.

### *Federal Rent Assistance and Eviction Protections*

The Governor signed SB 91 into law on January 29<sup>th</sup>. The trailer bill extended the moratorium on evictions for non-payment of rent due to COVID-19 financial hardship, subject to numerous conditions from January 31, 2021, to June 30, 2021, and also contained an appropriation of federal funds and statutory changes necessary to implement a rental assistance program as part of the 2020 Budget Act.

Enacted December 27, 2020, the federal Consolidated Appropriations Act, 2021 (Public Law 116-260), included \$25 billion for rental assistance programs, allocated to the states. California is expected to receive roughly \$2.6 billion of this amount. \$1.1 billion is to be allocated directly to local jurisdictions with populations above 200,000, with the balance allocated to the state for administration. SB 91 established the State Rental Assistance Program to allocate the state share of federal rental assistance funds. Funds will be allocated as based on population, consistent with the requirements of federal law, as follows:

- a) Provides a \$150 million set aside for counties with populations under 200,000. This funding is allocated proportionally based on population.

- b) Distributes the remaining funds to counties and cities with populations over 200,000 who are eligible to also receive a direct allocation from the federal government.

Those localities with a population between 200,000 and 500,000 are eligible to receive their funding as a block grant from the state.

### County Coroners Budget Request

Santa Barbara County is supporting the Sacramento County's state budget request for the training and equipment needed to support the work of county coroners. The \$1 million budget request would be for interested counties to participate in training in how to use the rapid DNA tests and to help coroners have a more coordinated response to mass fatalities.

Law enforcement and fire personnel routinely train for how to respond to a mass casualty event, but when it comes to mass fatality scenarios, training opportunities for the coroner team are virtually non-existent. Coroner personnel are periodically invited to participate in scenarios with law enforcement and fire agencies, but the training is stopped when it is determined that the live casualties are appropriately addressed. This leaves coroner personnel unprepared for mass fatality events, and ultimately, these agencies are responsible for their own in-house training. Funding for statewide or regional training would greatly improve the ability of coroner personnel to respond to these tragic events.

Committee staff told Sacramento County that member requests in the budget committee on public safety won't be heard at all this year, so there won't be a hearing. However, Sacramento had great meetings with the Department of Finance, budget committees, CalOES, and the Governor's Office, and that there is broad support for the proposal. Sacramento is continuing their meetings to request support and build their coalition, but the ultimate decision will be behind the scenes budget negotiations. Assemblymember Cooper has this as a top priority and will be talking to the budget chairs about it.

### 340B Program

Last year's State Budget restored, by rejecting the withdrawal of the January 2020 budget proposal, \$52.5 million (\$26.3 million General Fund and \$26.3 million federal funds) to provide supplemental payments to nonhospital 340B clinics.

We have confirmed with the Department of Finance that the 340B supplemental payments are included in the Governor's 2021-22 Budget on an ongoing basis. This proposal is part of Medi-Cal Rx, the pharmacy carveout from managed care, so fiscal year 2020-21 costs reflect the transition of Medi-Cal Rx.

We received an update on February 17<sup>th</sup>, that the Department of Health Care Services (DHCS) is again delaying the planned implementation date of the Medi-Cal Rx transition, which was previously scheduled for April 1, 2021. DHCS stated in their announcement that they need to review new conflict avoidance protocols submitted by Magellan Health, the project's contracted vendor. The State is still saying that they will give an update in May on whether or not they could proceed under the current contractual agreement or have to go out to bid for the vendor.

The County was 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.

DHCS looked into 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 we are now hearing that the State has identified more public entities that would likely qualify for the payment pool than we originally thought, thereby possibly lowering our anticipated backfill even more. Therefore, the County is now requesting inclusion of budget trailer language to provide a distribution formula that ensures an appropriate backfill for Santa Barbara County.

This will assist greatly to afford the County the ongoing funding to provide our important specialty and other services which these funds have supported.

### 2021 Executive Orders and Actions

Governor Gavin Newsom has issued a number of executive orders addressing a variety of issues in response to the COVID-19 pandemic.

#### *Executive Orders and Actions Timeline*

April 23, FDA and CDC Lift Recommended Pause on Johnson & Johnson (Janssen) COVID-19 Vaccine Use Following Thorough Safety Review.

April 21, Governor Newsom issued a State of Emergency Proclamation regarding drought conditions.

April 16, Governor Newsom announced partnerships with nearly 200 faith-based organizations to expand the state's vaccine outreach and equity efforts.

April 15, All Californians 16 and older are eligible to receive vaccinations.

April 13, Governor Newsom signs \$536 million wildfire package accelerating projects to protect high-risk communities. CDPH announced it would be following the FDA's and CDC's recommendation to direct healthcare providers to pause the use of the Johnson & Johnson vaccine. The FDA and CDC recommend pausing the use of the Johnson & Johnson vaccine, while it is reviewing data involving six cases of blood clots in individuals that had received the vaccine.

April 12, FEMA began accepting applications for funeral assistance and reimbursement through its COVID-19 Funeral Assistance Helpline. Community Vaccination Centers (CVC) in Oakland and Los Angeles begin transition from state-run, federally supported to local operation. The City Los Angeles has agreed to manage the Los Angeles operation. Alameda and Contra Costa Counties will run the Oakland CVC.

April 8, Governor Newsom, Senate President pro Tempore Toni G. Atkins and Assembly Speaker Anthony Rendon announced a \$536 million funding plan to help improve California's resilience to wildfires. The state updated the Blueprint for a Safer Economy, outlining that the weekly tier assessment will consider both a county's adjusted case rate and test positivity, as well as hospitalization data, in determining whether a county should remain in a less restrictive tier.

April 7, FEMA announced it will continue to assist state, local, Tribal Governments and Territorial Governments, and some private nonprofits to ensure a safe reopening during the COVID-19 pandemic.

April 6, Governor Newsom announced that California aims to fully reopen on June 15, if vaccine supply is sufficient for Californians 16 years and older who wish to be inoculated and if hospitalization rates are stable and low. CDPH modified Blueprint thresholds on April 6, after the state successfully met its second vaccine equity milestone of 4 million administered vaccine doses in some of the state's hardest hit communities. Cal OES announced FEMA has approved a 4-month direct housing assistance extension for victims of the Camp Fire. Governor Newsom announced extension of Oakland Coliseum mass vaccination site. CDPH updated its Outdoor and Indoor Youth and Recreational Adult Sports Guidance related to spectators and observers, and inter-team competitions, meets and races.

April 5, Cal OES announced a \$1 million donation from technology company DoorDash in the form of \$25 DoorDash gift cards that will be distributed via community-based organizations partnering with Cal OES as part of the state's vaccination operations.

April 2, State updates Blueprint to allow additional outdoor activities with modifications. Updates to gatherings, receptions, conferences, and indoor live events and performances are effective April 15. The CDC updated guidance for vaccinated and unvaccinated travelers.

April 1, California expands vaccine eligibility to all Californians over 50 years of age. The state issued an updated travel advisory, removing the previous recommendation that Californians not travel more than 120 miles from ones' place of residence. Californians should continue to avoid non-essential travel outside of California. Non-essential travelers from other states or countries are strongly discouraged from entering California and should follow CDC travel guidance related to testing and self-quarantine.

March 30, Governor Newsom has approved \$80.74 million for 1,399 additional firefighters to bolster fuels management and wildfire response efforts.

Cal OES announced guidance on reimbursement for eligible Project Roomkey activities. The Federal Emergency Management Agency (FEMA) is providing 100 percent federal cost share reimbursement for public agencies participating in Project Roomkey.

March 26, CDPH released updated guidance for amusement and theme parks, outdoor live events and graduation ceremonies.

March 25, Governor Newsom announced expanded vaccine eligibility to 50+ Californians starting April 1 and all individuals 16+ on April 15, based on expected supply increases.

March 24, CDPH announced changes to the Cohort Guidance. The Cohort Guidance now only applies to counties in the Purple Tier and is frequently referenced for operations at day camps, before and after school programs, and childcare centers.

March 22, CDPH updated guidelines to allow band, drumline, choir and drama as low contact youth recreational activities under the state's youth and adult recreational sports guidelines.

March 20, CDPH updated K-12 Schools Guidance to align with the latest science, as reflected by yesterday's update from the Centers for Disease Control and Prevention (CDC).

March 19, CDPH released updated sport guidance for sideline cheer, as well as data on COVID-19 outbreaks and Seroprevalence. Governor Newsom announced that California will eliminate their tiered system for vaccination in early May, due to increased supply.

March 18, Governor Newsom and State Superintendent Thurmond Announce Deployment of Up to 3 Million Free Rapid COVID-19 Antigen Tests to Help High-Needs Schools Safely Reopen Classrooms.

March 17, CDPH announced launch of “Let's Get to ImmUnity” campaign to boost COVID-19 vaccine acceptance, a multi-million dollar statewide effort to help Californians address questions and concerns regarding COVID-19 vaccinations.

March 16, The California Business, Consumer Services and Housing Agency (BCSH) announced the launch of the COVID-19 Rent Relief Program. The program provides rental reimbursement to landlords and relief to eligible tenants for unpaid rent accrued between April 1, 2020 and March 31, 2021.

March 15, CDPH announced that 2 million doses of COVID-19 vaccine have been administered to Californians in some of the state’s hardest-hit communities, increasing immunity where the state's transmission rates and disease burden have been the highest during the pandemic.

March 11, President Biden signs the \$1.9 trillion American Rescue Plan. CDPH announced updates to public health guidance in the Blueprint for a Safer Economy to allow for additional safe and sustainable reopening activities in the state.

March 8, CDC issues first set of guidelines on how fully vaccinated people can visit safely with others. Governor Newsom announced that California has nearly tripled its goal for vaccinating education workers – over 200,000 teachers, school staff and childcare workers were vaccinated, exceeding the estimated 75,000 vaccines per week target.

March 5, Governor Newsom signs \$6.6 billion package to return kids to the classroom and bolster student supports. State Updates Blueprint to allow additional activities that can be conducted outdoors and with consistent masking, which reduces risk of COVID-19 spread for safe and sustainable reopening. California Volunteers, Office of the Governor launches volunteer recruitment campaign to accelerate COVID-19 vaccinations.

March 4, State introduced vaccine equity metric to update Blueprint for a Safer Economy based on vaccinating the state’s hardest hit communities against COVID-19. CDPH released updated masking guidance that includes recommendation on double masking. CDPH also released an update to its outdoor and indoor youth and recreational adult sports guidance which specifies the conditions under which youth and adult recreational sports may resume practice with contact and competition under the Blueprint for a Safer Economy.

March 3, Governor Newsom Announces Federal Approval of Medicaid Funding for Expanded COVID-19 Testing for Low-Income Students. The first-in-the-nation waiver approved by Biden-Harris Administration to allow Medicaid funding for voluntary COVID19 testing in schools.

March 1, Governor Newsom, Pro Tem Atkins and Speaker Rendon Highlight New \$6.6 Billion Package to Reopen Schools and Deepen Student Supports. The \$6.6 billion budget package accelerates the safe return to in-person instruction across California and empower schools to immediately expand academic, mental health and social-emotional supports, including over the summer.

February 26, Governor Newsom Highlighted New Central Valley Vaccine Initiatives, Expanded Statewide Network of Community-Based Organizations for COVID-19 Education and Outreach in Vulnerable Communities

February 25, Governor Newsom announced Equity-Centered Plan to Accelerate Access to COVID Vaccines for Education Workers.

February 23, Governor Newsom signed into law a comprehensive package of immediate actions that will speed needed relief to individuals, families and businesses suffering the most significant economic hardship due to COVID-1.

February 22, Governor Newsom announced that the state is partnering with OptumServe and local counties to open up to 11 vaccination sites within the next week to serve some of the hardest-hit or most at-risk communities in the Central Valley, in addition to other steps to bolster vaccination efforts in the region.

February 19, CDPH released updated guidance for youth and recreational adult sports. Governor Gavin Newsom also announced effective March 1st, 10% of first doses would be set aside for educators and childcare workers.

February 17, Governor Gavin Newsom, Senate President pro Tempore Toni G. Atkins and Assembly Speaker Anthony Rendon announced that they reached agreement on a package of immediate actions that will speed needed relief to individuals, families and businesses suffering the most significant economic hardship from the COVID-19 Recession.

February 16, California Governor Gavin Newsom and the Biden-Harris Administration announced the opening of the nation's first community vaccination sites in Oakland and Los Angeles.

February 12, The CDC released the Operational Strategy for Reopening Schools. Governor Newsom launched the Safe Schools for All Hub as a one-stop shop for information about safe in-person instruction. For more information on the transparency, accountability and assistance measures related to California's Safe Schools for All plan, visit the Safe Schools for All Hub.

February 11, The California Department Consumer Affairs waived restrictions on administering COVID-19 Vaccines:

- o Dental Hygienists
- o Optometrists
- o Podiatrists
- o Post Graduates

The California Department of Public Health announced that beginning March 15, healthcare providers may use their clinical judgement to vaccinate individuals aged 16-64 who are deemed to be at the very highest risk for morbidity and mortality from COVID-19 as a direct result of one or more of the severe health conditions included in this provider bulletin.

February 4, Governor Newsom met virtually with small business owners receiving support through the first round of California's Small Business COVID-19 Relief Grant Program.

February 3, California Governor Gavin Newsom and the Biden-Harris Administration announced a pilot project to establish community vaccination sites based at the Oakland-Alameda Coliseum and California State University, Los Angeles.

February 2, President Biden directed the Federal Emergency Management Agency (FEMA) to fully reimburse states for the cost of National Guard Personnel and emergency costs.

January 29 Governor Gavin Newsom signed legislation to extend the state's landmark eviction moratorium through June 30, 2021, protecting millions of Californians struggling as a result of the economic hardships brought on by the COVID-19 pandemic.

January 27, Governor Gavin Newsom signed an executive order to bolster the state's efforts to vaccinate as many Californians as possible, as quickly as possible.

January 26, The Newsom Administration announces creation of a statewide vaccine delivery network to simplify and standardize the vaccination process with equity as a core focus.

January 25, Officials with the California Department of Public Health (CDPH) ended the Regional Stay at Home Order, lifting the order for all regions statewide, including the three regions that had still been under the order. Additionally, Governor Gavin Newsom announced a series of improvements to the state's vaccination plan. Incorporating lessons learned from efforts to increase the pace of vaccination. Finally, he along with legislative leadership issued a joint statement on the extension of the eviction moratorium to protect Californians impacted by COVID-19.

January 20, California State Epidemiologist Dr. Erica Pan issued a statement advising providers that they can immediately resume the administration of lot 41L20A of the Moderna COVID-19 vaccine, which was temporarily paused on Sunday due to possible allergic reactions.

January 17, California State Epidemiologist Dr. Erica S. Pan issued a statement recommending providers pause the administration of lot 41L20A of the Moderna COVID-19 vaccine due to possible allergic reactions that are under investigation.

January 14, Governor Gavin Newsom announced the launch of transparency, accountability and assistance measures related to the Safe Schools for All Plan. The Safe Schools for All Hub – [schools.covid19.ca.gov](https://schools.covid19.ca.gov) – was launched as a one stop shop for information about safe in-person instruction, and will be updated frequently.

January 13, The Governor announced a new system to let people know if they are eligible to receive a vaccine, and if not yet eligible, to register for a notification via email or text when they are eligible. That system is expected to launch next week. This comes on the heels of the CDC's decision to expand the pool of those eligible to receive the vaccine to individuals 65 and older.

January 11, Governor Gavin Newsom submitted his 2021-22 State Budget proposal to the Legislature – a \$227.2 billion fiscal blueprint that provides funding for immediate COVID-19 response and relief efforts where Californians need it most while making investments for an equitable, inclusive and broad-based economic recovery.

January 6, Governor Newsom Announces Golden State Stimulus, a budget proposal to help low-income Californians through \$600 rapid cash payments, and calls for extension of eviction moratorium.

January 5, Governor Gavin Newsom previewed his Equitable Recovery for California's Businesses and Jobs plan, the business and workforce recovery elements of his 2021-22 State Budget that will help California through the COVID19 pandemic and advance an equitable, broad-based recovery. The state issued a public health order ensuring distribution of health care resources across the state to ensure patients get life-saving care as ICU capacity is strained.

January 1, the California Governor's Office of Emergency Services began collaborating with the United States Army Corps of Engineers in the Los Angeles area hospitals to assess and upgrade oxygen delivery systems.

### Public Banking, IBank and Banking Issues

AB 1177 (Santiago) has been amended into the California Public Banking Option Act, which establishes a Public bank that would have the state offering financial services with no fees or penalties, such as federally insured transaction accounts, debit cards, access to an ATM network, payroll deposit funds, automated bill pay and direct deposit.

This bill would, among other things, establish in state government the Public Banking Option Board consisting of nine members, including the Treasurer or the Treasurer's designee and would require the board to administer the BankCal Program, which the act would create for the purpose of protecting consumers who lack access to traditional banking services from predatory, discriminatory, and costly alternatives, by offering access to voluntary, zero-fee, zero-penalty, federally insured transaction account and debit card services at no cost to accountholders.

On March 29<sup>th</sup>, the State Controller issued a letter in opposition to AB 1177, stating that the bill provides, upon appropriation, unlimited General Fund dollars for startup and administrative costs to be continued in the annual Budget Act for at least the first six years of the program and indefinitely, unless the program generates a sufficient amount of revenue to sustain the program...As California's chief fiscal officer responsible for paying the state's obligations, I believe it is fiscally imprudent for the state to run a Public Bank as it would expose the state to excessive unknown financial and legal liability...Moreover, there are multiple less risky and costly alternatives that exist to accomplish the bill's goals.

AB 310 (Santiago), was gutted and amended into the wealth tax bill that would impose an annual tax at a rate of 1% of a resident of this state's worldwide net worth in excess of \$50,000,000, or in excess of \$25,000,000 in the case of a married taxpayer filing separately. The bill would also impose an additional tax at a rate of 0.5% of a resident's worldwide net worth in excess of \$1,000,000,000, or in excess of \$500,000,000 in the case of a married taxpayer filing separately.

### Tenant Relief Legislation

AB 15 (Chiu) The bill would extend the definition of "COVID-19 rental debt" as unpaid rent or any other unpaid financial obligation of a tenant that came due between March 1, 2020, and December 31, 2021. The bill would also extend the repeal date of the act to January 1, 2026. The bill would make other conforming changes to align with these extended dates. By extending the repeal date of the act, the bill would expand the crime of perjury and create a state-mandated local program. The bill has been referred to the Assembly Housing and Community Development Committee.

AB 16 (Chiu) The bill would establish the Tenant, Small Landlord, and Affordable Housing Provider Stabilization Program. The bill would authorize the Director of Housing and Community Development to direct an existing office or program within the Department of Housing and Community Development to implement the program. The bill would establish in the State Treasury the COVID-19 Tenant, Small Landlord, and Affordable Housing Provider Stabilization Fund, and, upon appropriation by the Legislature, distribute all moneys in the fund to the department to carry out the purposes of the program. The bill has been referred to the Assembly Housing and Community Development Committee.

SB 3 (Caballero) The COVID-19 Tenant Relief Act of 2020 establishes certain procedural requirements and limitations on evictions for nonpayment of rent due to COVID-19 rental debt, as defined. Existing law defines COVID-19 rental debt as unpaid rent or any other unpaid financial obligation of a tenant that came due during the covered time period, defined as the period between March 1, 2020, and January 31, 2021. The act also requires a notice that demands payment of rent that came due during the transition time period, defined as the period between September 30, 2020, and January 31, 2021, to comply with additional specified requirements. This bill would extend the covered time period and transition time period for purposes of the act to March 31, 2021. The bill has been referred to the Senate Judiciary Committee.

### CSB Position Bills

#### *AB 32 (Aguiar-Curry) Telehealth*

The bill would require the State Department of Health Care Services (DHCS) to extend the telehealth flexibilities, including telephone visits, in place during the COVID-19 Pandemic. Additionally, AB 32 ensures patients will continue to have access to care by maintaining parity in reimbursement for telehealth services for Medi-Cal managed care plans. The County is in support of this bill. The bill is set to be heard in the Assembly Health Committee on April 27.

#### *AB 339 (Lee) State and local government: open meetings.*

Current law requires all meetings, as defined, of a house of the Legislature or a committee thereof to be open and public, and requires all persons to be permitted to attend the meetings, except as specified. This bill would require all meetings, including gatherings using teleconference technology, to include an opportunity for all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public. The County is opposed to the bill. The bill is set to be heard in the Assembly Local Government Committee on April 28.

#### *AB 538 (Muratsuchi) California Aerospace Commission: establishment.*

The bill would enact the California Aerospace and Aviation Act of 2021 (Act), which establishes the 15-member California Aerospace Commission (Commission) for the purpose of serving as a central point of contact for related industries and supporting the health and competitiveness of these industries in California. Authority for the operation of the Commission sunset on January 1, 2027. The County is in support of the bill. The bill is set to be heard in the Assembly Jobs, Economic Development and the Economy Committee on April 27.

#### *AB 821 (Cooper) Sexually violent predators: placement outside county of domicile: notice and hearing.*

Current law requires a sexually violent predator who is conditionally released to be placed in the county that was the person's county of domicile prior to the person's incarceration, unless extraordinary circumstances exist requiring placement outside the county, as specified. This bill would require advance notice, as specified, if a sexually violent predator is to be released to a county other than their county of domicile. The bill would require the local jurisdiction to give public notice of the intended release and allow for public comment, as specified. The bill would require the court to hold an evidentiary hearing to determine if extraordinary circumstances exist. The County is supporting the bill. The bill is set to be heard in the Assembly Public Safety Committee on April 27.

#### *AB 843 (Aguiar-Curry) California Renewables Portfolio Standard Program: renewable reed-in tariff*

The bill will allow Community Choice Aggregators (CCAs) to access an existing state program that provides funding for renewable bioenergy electricity projects, including biomass and biogas. The County

is in support of this bill. The bill passed the Assembly Utilities and Energy Committee and is set to be heard in the Assembly Appropriations Committee on April 28.

*AB 1465 (Reyes) Worker's compensation: medical provider networks study.*

The bill would reduce the quality of medical care in California's workers' compensation system, increase costs on employers as they struggle to expand California's economy as we come out of the COVID-19 pandemic, and wipe away important prior reforms that were the subject of negotiations between labor and management. The County is a part of a large coalition opposing the legislation. The bill is set to be heard in the Assembly Insurance Committee on April 29.

*SB 1 (Atkins) Coastal resources: sea level rise*

This bill would create the California Sea Level Rise State and Regional Support Collaborative within the Ocean Protection Council (OPC), expand the duties of the California Coastal Commission (CCC) to consider minimizing and mitigating damages from sea level rise in coastal resources planning and management policies, and increase the funding limit for the Environmental Justice Small Grants Program in order to provide grant funding for sea level rise mitigation in disadvantaged communities. Although the County does not have an official position on this bill, the County is supporting the Santa Barbara County's Planning and Development Department's request for CSAC to request an amendment to SB 1. The amendment addresses the definition of "existing structures" within Coastal Act Section 30235.

*SB 74 (Borgeas) Keep California Working Act.*

This bill, the Keep California Working Act, would establish the Keep California Working Grant Program. The act would require the Small Business Advocate to administer the program and award grants, as specified, to small businesses and nonprofit entities that meet specified criteria, including that the entity has experienced economic hardship resulting from the COVID-19 pandemic.

The Governor' and Legislature's early budget action agreement in trailer bill SB 87 would establish the California Small Business COVID-19 Relief Grant Program within CalOSBA to assist qualified small businesses affected by COVID-19 through administration of grants. The bill would require CalOSBA to provide grants to qualified small businesses, as defined, in accordance with specified criteria, including geographic distribution based on COVID-19 restrictions, industry sectors most impacted by the pandemic, and underserved small businesses. The bill would repeal these provisions on January 1, 2024. This bill would appropriate \$2,075,000,000 from the General Fund to the Golden State Stimulus Emergency Fund to be transferred to the Office of Small Business Advocate for purposes of the program, and would allocate \$50,000,000 of those funds for eligible nonprofit cultural institutions, as defined.

The author's office (SB 74) has let us know that they are still working on SB 74 for now and will keep us apprised of its outcome. They have stated that while they did not get the full grant amounts as outlined in SB 74, we are pleased to see that additional funding will be available for businesses and nonprofits. The bill was pulled from the Senate Business, Professions and Economic Development Committee and hasn't been set yet.

*SB 335 (Cortese) Workers' compensation: liability.*

The bill fundamentally alters longstanding rules and timeframes for determining eligibility for workers' compensation claims and moves California outside of the mainstream when compared to other states. SB 335 substantially cuts the amount of time available to California employers to review whether claimed workplace injuries are, in fact, related to work. The County is a part of a large coalition opposing the legislation. This bill was referred to the Senate Labor Committee.

*SB 467 (Wiener) Oil and gas: hydraulic fracturing, acid well stimulation treatments, steam flooding, water flooding, or cyclic steaming: prohibition: job relocation.*

The bill would revise the definition of “well stimulation treatment” to include steam flooding and water flooding. The bill would prohibit the issuance or renewal of a permit to conduct hydraulic fracturing, acid well stimulation treatment, steam flooding, water flooding, or cyclic steaming for the extraction of oil and gas beginning January 1, 2022, and would prohibit new or repeated hydraulic fracturing, acid well stimulation treatments, steam flooding, water flooding, or cyclic steaming, except as conducted pursuant to a permit lawfully issued before that date. The bill would prohibit all hydraulic fracturing, acid well stimulation treatments, steam flooding, water flooding, cyclic steaming, or other well stimulation treatments beginning January 1, 2027. The County is in support of this bill. The bill was heard in the Senate Natural Resources and Water Committee on April 13 but failed passage, the bill was granted reconsideration.

*SB 493 (Bradford) Local government financing: juvenile justice.*

Would revise and recast required components of the multiagency juvenile justice plan to, among other things, additionally require a plan to include an assessment of existing community-based youth development services, identification and prioritization of areas of the community that face significant public safety risk from crime, documentation of the effectiveness of the programs funded under these provisions, and a description of the target population funded under these provisions. The bill would require programs and strategies funded under these provisions to, among other things, be modeled on trauma-informed and youth development approaches and in collaboration with community-based organizations. The County is opposed to the bill. The bill is set to be heard in the Senate Appropriations Committee on May 3.

*SB 712 (Hueso) Local government duties relative to California tribes*

This bill would encourage local governments, as defined, to (1) seek opportunities to support California federally recognized tribes’ comanagement of, and access to, lands that are within the tribe’s ancestral land and under the ownership or control of the local government; (2) work cooperatively with tribes in their efforts to acquire lands in excess of the local government’s needs, by prioritizing tribal purchase or transfer; (3) work cooperatively with tribes in their nongaming fee-to-trust applications; (4) adopt preferential policies and practices conducive to a tribe’s efforts to access land, as provided, and acquire land in trust. The bill would require local governments, when submitting comments as described above, to consider economic benefits, as provided, prior to adopting a position on a fee-to-trust application, and if the local government submits an opposition letter or other document, to include the economic benefits therein. The County is supporting this bill. The bill passed the Senate Governance and Finance Committee on April 22 and has been referred to the Senate Appropriations Committee.

*SB 743 (Bradford) Housing developments: broadband adoption: grant program*

The bill would establish a grant program for broadband adoption programs in public housing, including digital literacy and computer lab programs, to reduce the digital divide. The County is in support of the bill. The bill passed the Senate Energy, Utilities and Communications Committee and has been referred to the Senate Appropriations Committee.

#### Other Bills that may be of Interest to the County

*AB 9 (Wood) Wildfires*

The bill would establish the Regional Forest and Fire Capacity Program (RFFCP) in the Department of Conservation (DOC) to support regional leadership, build local and regional capacity, and develop,

prioritize, and implement strategies and projects that create fire adapted communities by improving watershed health, forest health, community wildfire preparedness, and fire resilience.

*AB 361 (Rivas) Open meetings: local agencies: teleconferences*

The bill would authorize a local agency to use teleconferencing without complying with the teleconferencing requirements imposed by the Ralph M. Brown Act when a legislative body of a local agency holds a meeting for the purpose of declaring or ratifying a local emergency, during a declared state of emergency or local emergency, as those terms are defined, when state or local health officials have imposed or recommended measures to promote social distancing, and during a declared local emergency provided the legislative body makes certain determinations by majority vote. The bill would require legislative bodies that hold teleconferenced meetings under these abbreviated teleconferencing procedures to give notice of the meeting and post agendas, as described, to allow members of the public to access the meeting and address the legislative body, to give notice of the means by which members of the public may access the meeting and offer public comment.

*AB 703 (Rubio) Open meetings: local agencies: teleconferences*

Current law, by Executive Order N-29-20, suspends the Ralph M. Brown Act's requirements for teleconferencing during the COVID-19 pandemic, provided that notice requirements are met, the ability of the public to observe and comment is preserved, as specified, and that a local agency permitting teleconferencing have a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, as specified. This bill would remove the requirements of the act particular to teleconferencing and allow for teleconferencing subject to existing provisions regarding the posting of notice of an agenda and the ability of the public to observe the meeting and provide public comment. The bill would require that, in each instance in which notice of the time of the teleconferenced meeting is otherwise given or the agenda for the meeting is otherwise posted, the local agency also give notice of the means by which members of the public may observe the meeting and offer public comment and that the legislative body have and implement a procedure for receiving and swiftly resolving requests for reasonable accommodation for individuals with disabilities, consistent with the federal Americans with Disabilities Act, as provided.

*AB 816 (Chiu) State and local agencies: homelessness plan.*

Current law requires the Governor to create the Homeless Coordinating and Financing Council and to appoint up to 19 members of that council, as provided. Current law specifies the duties of the coordinating council, including creating partnerships among state agencies and departments, local government agencies, and specified federal agencies and private entities, for the purpose of arriving at specific strategies to end homelessness. This bill, upon appropriation by the Legislature or upon receiving technical assistance offered by the federal Department of Housing and Urban Development (HUD), if available, would require the coordinating council to conduct, or contract with an entity to conduct, a statewide needs and gaps analysis to, among other things, identify state programs that provide housing or services to persons experiencing homelessness and create a financial model that will assess certain investment needs for the purpose of moving persons experiencing homelessness into permanent housing.

*AB 896 (Bennett) Oil and gas wells: hazardous or idle-deserted wells and facilities: liens: collections unit.*

This bill requires the Oil and Gas Supervisor (Supervisor) to establish a collections unit within the Geologic Energy Management Division (Division) at the Department of Conservation (DOC). This bill also authorizes the Supervisor to impose a claim and lien upon property owned by any oil or gas well operator or responsible party under specified conditions.

*AB 1500 (Garcia) Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022.*

This bill is the Safe Drinking Water, Wildfire Prevention, Drought Preparation, Flood Protection, Extreme Heat Mitigation, and Workforce Development Bond Act of 2022, it is a \$6.7 billion bond. Funding pots include \$1.1 billion focused on wildfire and disaster resilience, \$1.65 billion for water and flood control, and \$1.15 billion for coastal resilience and sea level rise. AB 1500 goes further to provide \$670 million for parks, park districts and open space. Included in the \$1.3 billion regional resilience pot is a dedicated \$60 million for evacuation improvements at fairgrounds. AB 1500 also differs from SB 45, the other sustainability bond bill, by providing \$850 million within its urban and community resilience pot for regional projects and planning, including through local climate networks. This funding program has not yet been fully defined and will likely be developed in other companion legislation.

*ACA 1 (Aguiar-Curry) Local government financing: affordable housing and public infrastructure: voter approval.*

The California Constitution prohibits the ad valorem tax rate on real property from exceeding 1% of the full cash value of the property, subject to certain exceptions. This measure would create an additional exception to the 1% limit that would authorize a city, county, city and county, or special district to levy an ad valorem tax to service bonded indebtedness incurred to fund the construction, reconstruction, rehabilitation, or replacement of public infrastructure, affordable housing, or permanent supportive housing, or the acquisition or lease of real property for those purposes, if the proposition proposing that tax is approved by 55% of the voters of the city, county, or city and county, as applicable, and the proposition includes specified accountability requirements.

*SB 16 (Skinner) Peace officers: release of records*

This bill expands the categories of police personnel records that are subject to disclosure under the California Public Records Act (CPRA) and imposes certain requirements regarding the time frame and costs associated with such CPRA requests.

*SB 45 (Portantino) Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022.*

This bill is the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, it is a \$5.51 billion bond mirroring SB 45 (Allen) from 2020. Senator Allen is a co-author of the current SB 45, which focuses on disaster preparedness with the largest funding pots going towards wildfire and disaster preparedness (\$1.5 billion) and water and flood control (\$1.47 billion). The bond also provides nearly \$1 billion for coastal resilience and sea level rise, and adds \$635 million for regional climate resilience, urban heat islands, and community resilience.

*SB 47 (Limon) Oil and gas: hazardous and idle-deserted wells and production facilities: expenditure limitations.*

This bill would increase the annual expenditure limit from the Oil, Gas, and Geothermal Administration Fund (OGGAF) for the plugging and abandonment of hazardous or idle-deserted wells, and provide that any unspent amount below the expenditure limit in any given year be retained, as specified.

*SB 52 (Dodd) State of emergency: local emergency: sudden and severe energy shortage: planned power outage.*

This bill defines a “deenergization event” as a planned power outage, as specified, and includes a deenergization event in the list of conditions constituting a local emergency, with prescribed limitations.

*SB 55 (Stern) Very high fire hazard severity zone: state responsibility area: development prohibition.*

The bill prohibits residential development in the VHFHSZ unless local agencies adopt a wildfire prevention strategy that mitigates significant risks of loss, injury, or death.

*SB 84 (Hurtado) Oil and gas wells: hazardous or idle-deserted wells and facilities.*

This bill would revise and enhance the legislative reporting requirements of CalGEM's idle well program, and revise the supervisor's authority related to holding a current or previous operator responsible for an orphaned well or deserted equipment.

*SB 213 (Cortese) Workers' compensation: hospital employees*

This bill would create rebuttable presumptions that infectious disease, COVID-19, cancer, musculoskeletal injury, post-traumatic stress disorder or respiratory disease are occupational injuries for a direct patient care worker employed in an acute care hospital, as defined, and are therefore eligible for workers' compensation benefits.

*SB 284 (Stern) Workers' compensation: firefighters and peace officers: post-traumatic stress.*

SB 284 would expand an existing industrial injury rebuttable presumption for a diagnosis of a post-traumatic stress disorder (PTSD) to include specified employees at (1) the State Department of State Hospitals, (2) the State Department of Developmental Services, (3) the Military Department, and (4) the Department of Veterans Affairs.

*SB 555 (McGuire) Local agencies: transient occupancy taxes: online short-term rental facilitator: collection.*

This bill establishes a system by which local governments may require short-term rental platforms to collect local charges and contract with the California Department of Tax and Fee Administration (CDTFA) to collect those charges from the short-term rental platforms and remit them to the local governments.

*SB 586 (Bradford) Criminal Fees.*

This bill would repeal the authority to collect most of these fees, among others. The bill would make the unpaid balance of most court-imposed costs unenforceable and uncollectible and would require any portion of a judgment imposing those costs to be vacated. The bill would relieve a person who is sentenced to state prison or confined in a county jail from being required to pay any trial court filing fees or costs related to the person's underlying criminal conviction.

### Conclusion

Legislators are back from the Spring Legislative Recess and are in a midst of committee hearings. April 30th will be the last day for policy committees to hear and report to the fiscal committees the fiscal bills that are introduced in the house of origin, while the deadline for policy committees to meet and report to the floor non-fiscal bills that were introduced in their house is on May 7th. May 14th will be the last day for policy committees to meet prior to June 7th, while the last day for fiscal committees to meet and report to the floor bills introduced in their house is on May 21st. June 1st-4th will be floor session only and no committee may meet for any purpose during that time excluding the Rules Committee.

The Legislature waiting for the Department of Finance and the Administration to issue the May Revise, which will be in Mid-May. The Senate and Assembly budget committees will be meeting throughout May and June to complete the final budget package. The final budget bill must be passed by June 15th.

We look forward to continuing our discussions on county 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.