

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate
Kristina Gallagher

RE: 2021 May Update

DATE: June 2, 2021

The Senate and the Assembly released the Legislature's version of the 2021-22 State Budget. The Legislature's Version builds on priorities put forward in the Assembly's "A Budget of Opportunity" blueprint, the Senate's "Build Back Boldly" plan, and the Governor's May Revision. The Legislature's Version contains total spending of \$267.1 billion, of which \$196.1 is from the General Fund.

The Governor released the May Revision on May 14, 2021. Last year the state projected a budget deficit of \$54 billion, the state now has a projected \$75.7 billion surplus. The State surplus was combined with over \$25 billion in federal relief. The budget package includes funding for homelessness and the housing crisis, public schools, broadband infrastructure and funding for wildfires and climate change. The Governor's May Revision included total spending of \$267.8 billion and General Fund spending of \$196.8 billion.

The May Revision Budget items of interest to the County includes:

- \$7 billion to expand broadband infrastructure. The County and CSAC are supporting this budget allocation.
- \$9.3 billion for housing investments and supports, including behavioral health infrastructure.
- \$11.8 billion for climate resilience, such as water resilience, forest resilience, urban greening, and community hardening, plus \$926 million for sustainable agriculture.
- Inclusion of CSAC-sponsored budget proposal for continuation of In-Home Supportive Services (IHSS) collective bargaining funding mechanisms.

The LAO estimated the state has \$38 billion in discretionary state funds to allocate in the 2021-22 budget process, which is different than the Governor's figure of over \$75 billion. The LAO stated that the primary source of this difference is that the Governor's estimate of the surplus includes constitutionally required spending, whereas the LAO's estimate excludes it. For example, the Governor counts \$27 billion in constitutionally required spending on schools and community colleges, nearly \$8 billion in required reserve deposits, and \$3 billion in required debt payments in his calculation of the surplus. After excluding these amounts, the surplus estimates are nearly the same.

The Legislature's Version framework differs from the May Revision by using the revenue forecasts of the Legislative Analyst's Office, as well as up to date revenue performance through the month of May in the current year. We are hearing that there won't be a budget conference this year, instead the Assembly Budget Committee and the Senate Committee on Budget and Fiscal Review will individually vote on the Legislative Budget and then send it to the Governor's office for his final action. The Budget Bill must be passed by midnight of June 15th.

The Legislature has finished hearing bills in policy committees and the appropriations committees in the first House. May 21st was the last day for fiscal committees to hear and report bills to the floor. Bills with

a fiscal impact were placed on the Suspense File and were considered on Thursday, May 20th. The legislation that was moved out of the Suspense File went to the Floor, while any bills that were held in Suspense are now considered two-year bills since we are in the first year of a two-year legislative session. Legislators are now on the floor for a week of floor session from June 1st-June 4th, with June 4th being the deadline for each house to pass bills introduced in the house of origin.

Senator Limon provided valuable insight to the County at the May virtual Legislative Program Committee meeting, while Assemblymember Bennett is confirmed to speak at our June meeting.

May Revise/Legislature's Budget

Governor Newsom submitted his 2021-22 May Revise to the Legislature on May 14th. The Assembly and Senate released their Legislative Budget on June 1st.

Homelessness

The Legislature's Homelessness Package

The homelessness crisis impacts nearly every community in California. The Legislature's Version builds on recent one-time spending efforts to make the largest ever commitment to address homelessness over a two-year period, as well as on ongoing commitment to provide funding for local governments. This includes:

- Investment to Address Homelessness. Provides \$8.5 billion in new funding for homelessness programs over the next two years.
- Local Ongoing Support for Local Governments. Includes \$1 billion in ongoing support for local governments to address homelessness. This is the first ongoing commitment made by the state and will come with strong oversight and accountability to ensure the funds are put to work to successfully alleviate homelessness.
- Sending More Resources to Front-Line Anti-Poverty Programs. Includes over \$1 billion for various programs operated out of the Department of Social Services. These housing and homelessness programs touch the most vulnerable in our state – seniors in poverty at risk of abuse and neglect, families with children, and children and guardians in our child welfare system.

Administration of Justice

Fines and Fees

The May Revise includes a new fine and fee debt forgiveness program, in recognition of the financial hardship historical fines and fees have placed on low-income individuals. The program, funded with \$300 million from the American Rescue Plan Act, will support additional relief for low-income Californians in the form of a debt forgiveness program to eliminate debt owed on existing fines and fees for traffic and non-traffic infraction tickets issued between January 1, 2015 and June 30, 2021. Individuals could apply to have 100 percent of their debt forgiven upon submitting an application verifying their low-income status. The \$300 million includes the cost to backfill lost trial court and local government revenue.

The Legislature's language adopts placeholder trailer bill language that eliminates various criminal administrative fees and the civil assessment fee of up to \$300 for failure to pay or failure to appear

without good cause and make the unpaid balances of the associated eliminate fees uncollectible and includes \$151 million each in 2021- 22 and 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the revenue associated with the eliminated fees.

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.

We have met with the Department of Finance (DOF) and our County Probation Department, and debriefed them on this issue, and also spoke 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).

The specific backfill methodology was not addressed in the May Revision. The Department of Finance let us know that this is an issue they are working on separately with the Legislature. Senator Limon and Assemblymember Bennett also wrote a joint letter to the Department of Finance bringing their attention to the concerns with the distribution formula for backfill of Criminal Justice Administrative fees.

The Legislature's Budget adopts placeholder trailer bill language to determine the allocation schedule for the \$65 million backfill provided for five years pursuant to Chapter 92, Statutes of 2020 (AB 1869).

Division of Juvenile Justice Realignment

The May Revision includes no significant changes to the Division of Juvenile Justice (DJJ) realignment framework established in SB 823 (2020) and SB 92 (2021). The May Revision also includes \$7.6 million General Fund in 2021-22 and \$7.2 million ongoing General Fund for 33 positions (compared to 19 in the Governor's January proposal) to stand up the Office of Youth and Community Restoration and perform the core functions laid out in SB 823 (2020), including: (1) review of county's juvenile justice plans, (2) reporting on youth outcomes and identifying best practices, (3) providing technical assistance to counties, and (4) performing the ombudsperson duties.

2011 Public Safety Realignment

The May Revision updates revenue assumptions for 2011 Public Safety Realignment programs. For the Community Corrections Subaccount (AB 109), 2020-21 revenue is estimated to fulfill the current year statewide base of \$1.366 billion. Additionally, the May Revision estimates \$153.1 million in growth for community corrections (an increase of \$77.2 million compared to the January estimate) for 2020-21. The May Revision also brings good news for 2021-22. Revenues are projected to fulfill the new community corrections base of \$1.519 billion and generate additional growth of \$98.8 million in 2021-22.

Judicial Branch

The May Revision included total funding of \$4.6 billion (\$2.7 billion General Fund and \$1.9 billion other funds) in 2021-22 for the Judicial Branch, of which \$1.2 billion General Fund is provided to support trial court operations. Additional funds are being committed to help reduce the case backlog caused by the impact of COVID-19 on court operations. This included \$30 million one-time General Fund to support the Early Disposition Readiness Conference Program, which aims to expedite adjudications by making temporary assigned judges available to complete readiness conferences to resolve low-level misdemeanors or felony cases before going to trial.

Budget bill language to address civil and criminal backlog of up to \$60 million was rejected by the Legislature's budget.

The Legislature's Budget included:

- Access to Justice. Expands essential legal service resources through a \$200 million "Access to Justice" package in 2021-22 for legal aid, collaborative courts, county law libraries, dependency counsel, court interpreters, and court reporters. Invests \$120 million ARPA funds over three years to fund legal aid services for renters and homeowners to avoid evictions and foreclosures.
- Support for Court Operations Restores \$200 million ongoing General Fund to the Judicial Branch to re-open temporarily closed courtrooms and process case backlogs which have accumulated during the pandemic. Provides an addition \$72 million to ongoing General Fund to support trial court operations.
- Investments in rehabilitation, re-entry, and recidivism reduction strategies. Includes a "Rehabilitation, Re-entry and Recidivism Reduction" package of \$200+ million for career development, rehabilitative programming, family connection, local support for individuals to remain out of the criminal justice system, and removal of barriers to successful re-entry.
- Gun Violence Reduction. Provides \$211 million General Fund to reduce gun violence in the state.

The May Revision included the following Judicial Branch investments:

- Trial Courts and Courts of Appeal Deferred Maintenance—\$158 million ongoing General Fund. **Approved as budgeted by the Legislature.**

Victims of Crime Act Supplemental Funding

- The May Revision proposes \$100 million one-time General Fund for the California Office of Emergency Services to supplement federal funding supporting a variety of services for domestic violence victims. While need for these services grows, federal funding has declined.
- **The Legislature's Budget includes \$175 million General Fund for various programs to support survivors of domestic violence, sexual violence, human trafficking and forced sterilization. Includes \$50 million for homeless youth emergency services and housing programs.**

Agriculture, Environment and Natural Resources

The Governor's May Revision Budget significantly increases General Fund expenditures, focusing on emergency preparedness, drought and wildfire response, and economic recovery.

Drought, Water Supply Reliability and Flood

- The May Revision allocates \$5.1 billion in direct drought and water resilience investments, complemented by a \$1 billion rate relief package for overdue water bills, helping stabilize both water users and agencies. Critical to counties, the package includes:
- \$27 million for emergency and permanent solutions to drinking water drought emergencies.
- \$500 million for multi-benefit land repurposing to support growers.
- \$300 million for drought relief and urban water management grants for approximately 2,400 small community water systems that serve schools and all of California's 58 counties as they plan for drought and potential water shortages.
- \$300 million for SGMA Implementation to improve water supply security, water quality, and water reliability.
- \$200 million for Water Conveyance to address subsidence and rising cost of moving water through the Friant-Kern Canal, the Delta-Mendota Canal, the California Aqueduct, and the San Luis Canal.
- \$140 Million for Flood to reduce flood risk for 1.1 million people and over \$100 billion of assets.
- \$60 Million for State Water Efficiency and Enhancement (SWEEP) in grants to help farmers reduce irrigation water use and reduce greenhouse gas emissions from agriculture pumping.

The Legislature's Budget provides approximately \$3.7 billion to address and get ahead of the emerging drought, this was the amount proposed by the Governor's May Revision. Details of the package will continue to be worked out through the three-party negotiations.

Community Resilience and Hardening

The May Revision tackles community resilience and hardening in several different ways. As outlined below, counties will be able to access significant grant funding for community hardening through a new "Prepare California" program at CalOES. Counties with fairgrounds, and other local facilities that are regularly used for disaster and evacuation, will have access to funding for significant upgrades through a new the California Department of Food and Agriculture (CDFA) allocation. Funding for climate adaptation, home hardening, and hazard mitigation is also included.

Community Hardening to Build Disaster Resilient Communities

The May Revision proposes \$250 million one-time General Fund to develop and implement a new initiative, Prepare California, modeled after a successful FEMA program. Prepare California is designed to build disaster-resistant communities through state, local, federal, and private sector and nongovernmental organization partnerships. This proposal includes paying up to 100 percent of the local government's cost share for participating in the federal hazard mitigation program.

Community Resilience Centers and Fairgrounds

The May Revision proposes \$150 million one-time General Fund through CDFA to support the development and enhancement of community resilience centers. Funding could be used to support infrastructure for emergency evacuation, shelter, base camps during emergency events, and critical deferred maintenance. Elements for this infrastructure may include cooling and heating centers, clean air centers, and extended emergency evacuation response centers. These centers could be equipped with community kitchens, shower facilities, broadband, back-up power, and other community needs due to

wildfires, floods, and other emergencies or climate events. **This was approved in the Legislature's budget.**

Community Resilience Planning and Adaptation

The May Revision proposes \$495 million General Fund over three years to provide investments that align economic resilience with the State's climate goals, empower vulnerable communities, and support the leadership capacity of key regional and local stakeholders. Funding would be directed through the state's planning and strategic growth agencies, with an emphasis on climate-readiness and adaptation.

All-Hazards Grant Program

The May Revision includes \$250 million for Cal OES to implement an equitable, all-hazards grant program focused on building resiliency in disadvantaged communities and providing assistance to communities that often lack resources or expertise in drafting competitive grant applications to leverage federal and private funds.

The Legislature approved only \$100 million one-time to cover the local share of the Hazard Mitigation Grant Program for disadvantaged communities, as well as outreach and technical assistance costs for OES to identify and provide support, including applications support, for disadvantaged communities.

Home Hardening

In addition to \$27 million in the approved early action budget, the May Revision adds another \$30 million for home hardening, defensible space inspectors, and land use planning and public outreach.

Emergency Preparedness, Firefighting and Response

The Governor's proposed budget expands investments to CAL FIRE, the Office of Emergency Services (Cal OES), and local agencies to prepare for ongoing threats. Counties will be able to access an additional \$100 million state funding through the California Disaster Assistance Act as well as an ongoing \$25 million grant program through the LISTOs program.

Improving Cal OES Emergency Management

The Revision set aside \$16.5 million General Fund, and 73 positions ongoing, to establish a permanent and dedicated Incident Support Team, a deployable Incident Management Assistance Team, and needed support to operate California's State Operations Center or Regional Emergency Operations Centers. These teams will strengthen the capabilities of the State Operations Center and lessen the Department's reliance on redirected staff from other areas in the organization. In addition, the May Revision proposes to establish a new unit within Cal OES designed to better coordinate and lead the state's disaster cost tracking and public facing reporting efforts in coordination with all state agencies. This new unit would also serve as a liaison with the Department of Finance to better align cost tracking and federal cost recovery efforts, as this work is currently being done across agencies.

Long-Term Recovery Support

The May Revision provides \$37.8 million (\$15.7 million General Fund) ongoing to permanently fund 104 recovery positions, and 110 new positions, to better support California's recovery efforts. The positions

will also assist in the recoupment of eligible federal disaster cost reimbursements for state and local governments, and maximize the hazard mitigation program.

California Disaster Assistance Act (CDAA)

The Revision includes \$100 million one-time General Fund to increase the amount of funding available through the CDAA, which is used to repair, restore, or replace public property damaged or destroyed by a disaster. The funding can also be used to reimburse local governments for eligible costs associated with response to a state of emergency proclaimed by the Governor. This augmentation increases total CDAA funding available in 2021-22 to \$162.6 million.

Wildfire

To address the scale and urgency of these wildfire risks, the May Revision proposes to maintain the Governor's January Budget proposal with \$708 million in 2021-22 to support the Forest Management Task Force's Wildfire and Forest Resilience Action Plan. The May Revision adds \$38.9 million to support the staffing of three additional California National Guard crews for a total of 13 fire crews from July through December, and continue staffing 8 additional CAL FIRE crews that began in April 2021.

The Legislature's Budget provides \$1 billion for various wildfire prevent and respond to wildfires, this is an increase of \$292 million above the Governor's May Revision. Details of the package will continue to be worked out through the three-party negotiations.

On April 8th, 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 13th. The legislative package builds on Governor Newsom's early action funding for wildfire resilience proposed in his 2021-2022 state budget.

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.

Wildfire Forecast and Threat Intelligence Integration Center

The May Revision continues to implement the Wildfire Forecast and Threat Intelligence Integration Center. The Center provides real time intelligence and data regarding wildfire threats to government agencies, develops intelligence products for public and private entities involved in wildfire risk mitigation

efforts, and serves as a central organizing hub for wildfire forecasting, weather information, threat intelligence gathering, and analysis. This additional investment builds on the \$2 million ongoing General Fund provided in the 2020 Budget Act for a total investment of \$9.6 million.

Agriculture

The May Revision builds on the \$285 million included in the Governor's January Budget and proposes an additional \$641 million over two years (\$491 million in 2021-22) for a total \$926 million (\$776 million in 2021-22) in strategic investments to support California's agriculture industry as it addresses continued challenges while also producing nutritious food and advancing the state's climate resilience objectives. Significant additions include \$70 million for healthy soil programs, \$60 million for livestock methane reduction and \$20 million for the California Farm to School incubator.

The Legislature's Budget approved at least \$3.65 billion for Climate Resilience over three years with details to be determined in a final agreement among the Senate, Assembly, and Governor.

Recycling and Waste Management

As counties face mounting waste management costs, the state is providing several funding opportunities to support critical state and local programs, including infrastructure for waste management. However, no direct local government support for the development of organic waste programs is included in the various programs.

The May Revision proposes \$130 million one-time General Fund to support the development of infrastructure required to process recyclables and manufacture products from recyclable material. Historically, California has shipped recyclable material to other nations, which contributes to the global carbon footprint.

Organic Waste and Recycling Infrastructure

The May Revision proposes \$55 million to provide grants for new composting and anaerobic digester facilities and to expand capacity at existing wastewater facilities to increase organic waste recycling capacity, provide funding for co-digestion, and reduce methane emissions from landfills. In addition, \$15 million in funding is provided for grants to companies that are in the research, development, feasibility, or pilot phase of recycling projects that are interested in locating in California. Finally, through the Climate Catalyst Fund \$50 million is proposed to provide low-interest loans to attract recycling and reuse businesses to California. These loans would be designed to align with existing tax incentives already offered by the state.

Pipelines

As a last-minute attempt to get funding for the County's abandoned pipelines, the County has been working with Senator Limon on including funding for the decommissioning of abandoned pipelines in the County, although it is not clear whether it will happen.

Cannabis

The Governor's Budget proposes the consolidation of the functions and positions of the Bureau of Cannabis Control, the Department of Food and Agriculture, and the Department of Public Health into a new stand-alone Department of Cannabis Control within the Business, Consumer Services, and Housing

Agency beginning July 1, 2021, pending approval by the Legislature. This consolidation seeks to simplify participation in the legal market and support the successful and safe operation of cannabis businesses in compliance with state law.

Provisional Licenses

The May Revision proposes statutory changes to extend the Department's ability to issue new provisional cannabis licenses by six months, to July 1, 2022, make explicit environmental compliance requirements before annual licensure, and require the Department to promulgate regulations identifying steps that must be taken for provisional licensees to show progress toward achieving annual licensure. As of early April 2021, approximately 82 percent of the state's cannabis licensees held provisional licenses. Absent this extension, it is possible that a significant number of these licensees could fall out of the legal cannabis system, significantly curtailing the state's efforts to facilitate the transition to a legal and well-regulated market.

Cannabis Local Jurisdiction Assistance Grant Program

To help local governments and licensees in successfully and swiftly move from provisional licensure into annual licenses, and to do so in a way that supports the environmental compliance requirements, the May Revision includes \$100 million one-time General Fund to establish a local jurisdiction assistance grant program for cannabis. **This was approved in the Legislature's Budget.**

The funding is calculated based on provisional licenses issued by the state, and is proposed to be allocated as follows:

- Category 1 – 25%: Top 8 jurisdictions allowing cannabis cultivation.
- Category 2 – 25%: Top 8 jurisdictions allowing manufacturing and the top 8 jurisdictions allowing all other cannabis activities, except events.
- Category 3 – 50%: Additional funding for jurisdictions that qualify for Category 1 or 2 and are also implementing local equity programs.

Under current statute, the provisional license program will sunset on January 1, 2022. The Governor's Plan proposes allowing provisional licenses to be issued until June 30, 2022, makes explicit environmental compliance requirements necessary to attain and maintain a provisional license, mandates the Department to specify through regulation what progress is required to maintain a provisional license, and removes the sunset date, thereby allowing a provisional license to be maintained so long as the applicant is making measurable progress toward achieving annual licensure.

According to the budget analysis, the cities and counties likely to receive grant monies include:

- Adelanto
- Commerce
- Desert Hot Springs
- Humboldt County
- Lake County
- Long Beach
- Los Angeles
- Mendocino County
- Monterey County
- Nevada County

- Oakland
- Sacramento
- San Diego
- San Francisco
- Santa Rosa
- Sonoma County
- Trinity County

The Department of Finance has confirmed that the County of Santa Barbara is not eligible.

Updated Allocation of the Cannabis Tax Fund

Proposition 64 specified that Cannabis Tax Fund expenditures be prioritized for regulatory and administrative workload necessary to implement, administer, and enforce the Cannabis Act, 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 May Revision estimates \$629.1 million in cannabis tax funding will be available for public health, environmental protection, and public safety initiatives, a 41.9 percent increase from the Governor’s Budget estimates in January. The funding will be allocated as follows:

- Education, prevention, and treatment of youth substance use disorders and school retention — 60% (\$377.5 million).
- Clean-up, remediation, and enforcement of environmental impacts created by illegal cannabis cultivation — 20% (\$125.8 million).
- Public safety-related activities — 20% (\$125.8 million).

This was approved in the Legislature’s Budget.

Broadband

The Governor is proposing to invest over \$7 billion in broadband infrastructure. Taken together, the investments would transform the broadband ecosystem in the state, not only by extending reliable high-speed access to homes and businesses without, but also by building infrastructure that will make future investments more efficient and services to consumers more affordable and competitive. The County of Santa Barbara and CSAC are in support of this proposal.

Of the \$7 billion:

- \$4 billion will pay for a statewide middle-mile network, reducing the cost of future last-mile deployment and increasing competition and affordability
- \$2 billion will support last-mile fiber through the existing CASF subsidy program, providing 100 Mbps broadband to those without.
- \$500 million will incentivize telephone carriers-of-last-resort in rural areas that participate in the High Cost Fund A program to upgrade to broadband.
- \$500 million will create a Loan Loss Reserve Account so local government, tribes, and nonprofits can more easily access up-front financing for municipal fiber networks.

- \$35 million will increase funds available to expand broadband access to isolated and underserved communities through a collaborative partnership of local education agencies, regional libraries, and telehealth providers.
- \$6 million will increase funding for the Broadband Connectivity Initiative.

The Legislature's Budget includes \$7 billion for broadband, but with significant problems. The Legislature's plan:

- **Spreads funding over many more budget years, while counties need major investments now.**
- **Gives no details about which parts of the system the money will be invested in.**
- **Uses fewer federal ARPA dollars and more state General Fund.**
- **Doesn't indicate whether it includes the reforms that put counties on a level playing field with existing providers.**
- **Doesn't indicate whether it would expand the telephone LifeLine program to broadband service.**
- **Legislature seems to indicate that negotiations on the broadband investment would continue past the June 15 passage of the budget.**

The County is working with CSAC to support the Governor's version of the Budget broadband proposal.

Wildfire Property Tax Backfill

The May Revision includes just shy of \$11 million to backfill property tax losses related to wildfires. The state traditionally provides these funds for the fiscal year a wildfire fire occurs and the following fiscal year, by which time it is presumed properties will be rebuilt and their tax assessments re-raised. With larger, more destructive fires, many properties are not rebuilt by that time, but the policy has not been revisited.

HHS and Health

HHS Realignment

The May Revision includes updated 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 May Revision projections for 2020-21 indicate that Realignment revenues will increase by 3.1 percent above the January projection of 5.6 percent growth over 2019-20 levels. This would result in an estimated \$487 million in 1991 growth, including \$109.6 million for caseload growth, and \$360.2 million in 2011 growth in the Support Services Subaccount. For 2021-22, while the January Budget had projected that Realignment revenues would decline again, the May Revision projects revenues will continue to grow. This growth is estimated to be 9.5 percent above the January projection for 2021-22 revenues, resulting again in growth revenues, though less than the amount of growth projected for the current year.

HHS Suspensions Eliminated

The Governor's January budget proposal would have delayed the suspension of several HHS services by an additional year to December 31, 2022. Some of the HHS investments impacted by the proposed suspensions included the restoration of the seven percent cut in IHSS services hours, Proposition 56 supplemental payment increases, developmental services payment increases, the Family Urgent Response

System (FURS), and the Aging and Disability Resource Connections and Senior Nutrition programs. The May Revision proposes to completely eliminate those suspensions.

The Legislature’s Budget approved May Revise proposal to eliminate suspensions.

Medi-Cal County Administration

The May Revision includes funding for resumption of the annual Medi-Cal redeterminations once the federal public health emergency ends. A total of \$73 million (\$36.5 million General Fund) is proposed in both 2021-22 and 2022-23.

Eligibility for Undocumented Seniors

The May Revision includes \$69 million (\$50 million General Fund) in 2021-22 and increases to \$1 billion (\$859 million General Fund) ongoing to expand Medi-Cal eligibility to undocumented individuals over 60 years of age. This expansion will go into effect May 1, 2022.

The Legislative Budget approved proposal modified to expand Medi-Cal coverage to undocumented adults aged 50 and older, including sufficient resources and placeholder trailer bill.

Telehealth Flexibilities

The Governor’s January budget proposal included a proposal to make recent telehealth flexibilities permanent. The May Revision proposes to make an audio-only telehealth a Medi-Cal rate for services. The May Revision states the Administration will consult with subject matter experts through this process.

The Legislative Budget rejected proposed trailer bill and adopted placeholder trailer bill consistent with AB 32 (Aguiar-Curry). The County is in support of AB 32.

Local Public Health Funding Overlooked

The Governor did not include funding for local public health, as requested by CSAC and the California Can’t Wait Coalition, led by the County Health Executives Association of California (CHEAC) and Health Officers Association of California (HOAC), along with Service Employees International Union of California (SEIU-CA).

The coalition requested \$200 million in ongoing annual state General Fund to rebuild county public health departments in the wake of the pandemic. The Governor did include \$3 million for a post pandemic post mortem to assess the state and local public health response and a promise to include “actionable policies” arising from the review in the January 2022 January Budget.

The Legislature’s Budget builds a 21st century public health system with \$200 million annually for Local Health Jurisdictions, \$40 million annually for state public health functions, \$35 million annually for public health workforce development, and \$13 million ongoing for the prevention of HIV/AIDS, hepatitis and sexually transmitted infections.

Children and Youth Behavioral Health Initiative

The Governor announced plans to infuse nearly \$4 billion into improving the behavioral health of youth aged 0 to 25 ahead of the release of the May Revision. The Revision provides more detail on the proposal, including that it will be statewide and available to youth regardless of their health care coverage, must include evidence-based services, and spans six major state departments.

However, important questions remain, such as which entities are eligible and accountable for the various funding opportunities. As it stands, the May Revision proposes the following:

- Creating a virtual platform to integrate behavioral health services with screening, clinic-based care, and app-based support services for both consumers and providers;
- Providing additional grants to “qualified entities,” which likely include providers certified as Medi-Cal providers, to increase school behavioral health services;
- Developing age-appropriate programs offered through health plans as well as the state’s CalHOPE Student Support Program;
- Providing new Medi-Cal dyadic family therapy service benefits (as mentioned in the Medi-Cal section);
- Creating behavioral health education and outreach programs for youth (\$100 million over the next five years);
- Funding behavioral health workforce development through the Office of Statewide Health Planning and Development (OSHDP);
- Creating a public awareness campaign on adverse childhood experiences (ACES) and toxic stress, and, with the Office of the Surgeon General, also develop a curriculum of trauma-informed training for educators;
- Mounting a “behavioral health literacy” project through the Department of Public Health to prevent mental health and substance use challenges among all Californians.

As for funding, the Governor proposes to dedicate more than \$4 billion in total funding, with more than \$400 million in ongoing General Fund, for this ambitious proposal. This includes \$1 billion from the federal American Rescue Plan Act's (ARPA) Coronavirus State Fiscal Recovery Fund in 2021-22, \$1.7 billion (\$1.3 billion ARPA, \$300 million General Fund, and \$100 million Federal Trust Fund) in 2022-23, and \$431 million (\$300 million General Fund) ongoing for this initiative. Please note that the above estimate includes \$100 million for youth behavioral health placements that is also included in the Behavioral Health Continuum proposal.

The Legislature’s Budget approved the administration’s Children and Youth Behavioral Health Initiative, with modifications to the appropriations and trailer bill, in order to prioritize: 1) investments that build on existing programs and efforts through the Mental Health Services Oversight and Accountability Commission; and 2) urgent interventions and strategies to support children and youth, focused on the first half of the budget year.

Child Welfare and Foster Care

- Child welfare services and foster care provides a range of services for children who are at risk of or have been victims of abuse and neglect. The May Revision includes \$1.1 billion General Fund for these programs.

CalAIM

The May Revision includes some updates to the CalAIM proposals in the January Budget, including the infusion of some ARPA funds to assist with CalAIM preparation and implementation.

The Department of Health Care Services (DHCS) is in initial conversations with the Centers for Medicare and Medicaid Services (CMS) on the CalAIM proposal, which is contained within complex Section 1115 and 1915(b) waiver proposals. The Department will release updated trailer bill language soon to reflect some of these changes, which include additional flexibilities for public hospitals and updated timelines.

Additionally, the Legislature has pulled most, but not all, of the CalAIM proposals into the legislative policy process, adding language into the following bills:

- AB 875 (Wood): Jail in-reach and services; Global Payment Program rollover into performance incentives; Medicaid Eligibility performance standards;
- AB 942 (Wood): CalAIM Behavioral Health proposals, including payment reform and the Drug Medi-Cal Organized Delivery System expansion;
- AB 1132 (Wood): Transition of Coordinated Care Initiative; Long-term care to Medi-Cal Managed Care; standardizing Medi-Cal benefits across programs;
- SB 256 (Pan): Public Hospital funding; Enhanced Case Management (ECM); In Lieu of Services (ILOS); Population Health Management;
- SB 279 (Pan): Dental transformation pilot; Health Homes program.

It remains to be seen when the budget trailer bill and policy process converge, but counties are depending on multiple critical items, including funding for the Behavioral Health Quality Improvement Program (QIP), Behavioral Health Payment Reform Transition, and the continued county role within the Enhanced Care Management (ECM) and In Lieu of Services (ILOS) proposals.

The Legislative Budget approved the CalAIM Initiative resources with modifications to trailer bill.

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 May Revision includes \$17.2 billion for IHSS, of which \$5.5 billion is from the General Fund. The May Revision estimates that average monthly caseload will be 590,293 recipients in 2021-22.

IHSS Collective Bargaining

The Governor's May Revision included the CSAC coalition continuity of collective bargaining proposal, which has also now been passed by both HHS subcommittees. There was one difference in the Administration's proposal related to the number of times a county can use the ten percent over three years tool and CSAC has made good progress towards resolving that issue. CSAC also continues to oppose the union's fiscal penalty proposal, which was not in the May Revision. **The fiscal penalty proposal was included in the legislative budget package and CSAC continues to oppose.**

Under existing law, two changes are set to take place on January 1, 2022, that will make it more difficult to make progress on IHSS collective bargaining. First, the historic sharing ratio would flip, with the county becoming responsible for 65 percent, instead of 35 percent, of the nonfederal share of costs for local wage and benefit increases and the state covering 35 percent of the nonfederal share. Second, the ten percent over three years tool that allows a county to secure state participation in a defined amount above the state participation cap would no longer be available. This would result in the county share of costs for

IHSS provider wage increases nearly doubling and would likely stall progress on IHSS collective bargaining agreements.

Instead, with the Governor's inclusion of the coalition budget proposal, these funding mechanisms would remain the same as they currently operate. Counties have made significant progress with 46 counties permanently increasing IHSS provider wages since 2017. With this continuity for these tools, progress can continue. Finally, this will also help county IHSS costs remain more sustainable within Realignment, benefitting all programs funded within Realignment including health and behavioral health programs.

Aging Programs

The Legislature's Budget Included:

- **Medi-Cal Asset Test removal.** Eliminates the Medi-Cal asset test for seniors to remove the "senior savings" penalty, to expand access to more income eligible seniors.
- **SSI/SSP Legacy Cut Restoration.** Provides \$600 million ongoing to substantially restore the 2009 cut to low income Californians with disabilities and the elderly. This restoration (combined with Governor's May Revision proposal) will increase the SSP grant by \$46 per month for individuals and \$118 per month for couples.
- **Developmental Services Provider Rate Study.** Phases in an ongoing \$857 million to fully phase in the rate study provider increases over a three-year period. This will help ensure providers receive fairer compensation and that families will continue to have access to the vital services provided.
- **Permanent Restoration of IHSS 7% Hours Cut.** Finally ends the legacy of 7% cut in in-home care services to elderly and disabled Californians. While the cut was restored in prior years, the threat of the cut remained by it being added to the list of program "suspensions" that would have automatically taken effect in future years. The Legislature's Version of the budget approves the Governor's proposal to end this (and all) program suspension.

Older Adults Homelessness

The May Revision includes three investments related to preventing homelessness among older adults and disabled individuals.

- **Home Safe** – The Home Safe program was implemented several years ago within county Adult Protective Services (APS) programs as a grant program to prevent homelessness and serve those who are homeless and are a victim of abuse and neglect. The May Revision proposes \$100 million General Fund for 2021-22 and 2022-23 for Home Safe. CSAC has been advocating for increased investments in Home Safe as part of our support for CWDA's APS budget proposal.
- **Community Care Expansion Program** – The May Revision expands upon the January Budget proposal to propose an increase of \$250 million, for a \$500 million total investment, for the construction, acquisition, or rehabilitation of Adult Residential Facilities and Residential Care Facilities for the Elderly.
- **Housing and Disability Advocacy Program** – The May Revision includes \$175 million each year through 2023-24 for the Housing and Disability Advocacy Program (HDAP). This program assists disabled individuals who are experiencing homelessness.

Supplemental Security Income (SSI)/State Supplementary Payment (SSP)

The federal Social Security Department administers monthly supplemental security income (SSI) payments to eligible aged, blind and disabled persons. California has augmented SSI payments with a state supplementary payment (SSP) payment. The state also provides state-only funded monthly payments to the aged, blind and disabled legal immigrants who do not qualify for SSI/SSP, through the Cash Assistance Program for Immigrants (CAPI). The May Revision includes \$2.7 billion General Fund for SSI/SSP programs in 2021-22. It also proposes to restore the Cost Of Living Adjustment for SSP, CAPI, and California Veterans Cash Benefit recipients back to 2011 payment levels at an annual ongoing cost of \$131.5 million.

The Legislature’s Budget approved \$300 million General Fund in 2021-22 and \$600 million General Fund in 2022-23 on-going, atop the May Revision proposal on SSI/SSP grants, with placeholder trailer bill language.

Housing

The Legislature’s Budget provides \$1.75 billion to alleviate the backlog in affordable housing construction, \$300 million for the preservation of existing affordable housing, \$130 million for the development, maintenance, and preservation of farmworker housing, and \$750 million for planning and implementation grants to help local governments plan for and meet their goals under their Sustainable Community Strategies.

Governor Newsom’s May Revision proposes to provide additional assistance to homeowners and renters who are financially impacted by the COVID-19 pandemic. It allocates funding to promote housing production and homeownership opportunities and to support efforts to increase participation in the state excess lands program. The May Revision also proposes to provide funding for planning and implementation grants to regional entities for infill development, which is intended to help the state meet its climate goals and reduce vehicle miles traveled.

Expansion of Rent Relief and Legal Assistance

Governor Newsom’s May Revision proposes to expand California’s COVID-19 Rent Relief Program and to increase funding for legal assistance to help households financially impacted by the COVID-19 pandemic. In addition to the \$2.6 billion that the federal government provided to California for rent assistance, the federal American Rescue Plan Act of 2021 (ARPA) provided an additional \$2.6 billion to California for both state and local entitlement jurisdictions for a total of \$5.2 billion in federal rent relief.

The May Revision proposes statutory amendments to maximize the use of the funding available for rent, utilities, and housing-related expenses to those experiencing financial hardship as a result of the pandemic. While proposed trailer bill language is not yet available, Governor Newsom noted during a press conference on Monday that this funding is intended to help low- income households pay back 100 percent of their back-rent, as well as future rent payments.

In addition to providing funding to cover rent payments, the May Revision also proposes to provide \$2 billion to cover unpaid utility debts that households have accrued during the pandemic, including water and electricity.

Finally, the May Revision also proposes to provide \$60 million in federal ARPA Coronavirus State Fiscal Recovery Funds over the next three years (\$20 million per year) to the Judicial Council to continue offering legal assistance grants to legal aid and self-help organizations.

Other Housing-Related Investments

The May Revision also proposes the following funding allocations:

- \$4 billion over two years to develop more student housing
- \$100 million in one-time federal ARPA funds to CalHFA to expand the First Time Homebuyer Assistance Program
- \$20 million in one-time funding to connect job-seekers to housing apprenticeships
- \$20 million in one-time funding for critical deferred maintenance and improved habitability at the Office of Migrant Service Centers, increasing the original proposal of \$10 million included in the January budget.

Transportation

The Legislative Budget provides billions of dollars in new spending for transportation infrastructure, including \$3 billion in funding for transportation infrastructure across the state, including for active transportation projects and projects identified for completion prior to 2028, \$2 billion for streets, roads, and highway projects, and \$400 million for a State and Local Transportation Adaptation program.

The May Revision includes significant one-time funding for transportation infrastructure, focused largely on rail and transit, as well as pass-through federal funding for regional transportation projects, and a \$1.5 billion investment in state highway and local road clean-up and beautification.

One-Time Infrastructure Spending

The May Revision includes the following one-time funding allocations:

- \$4.2 billion Proposition 1A to complete high-speed rail construction in the Central Valley
- \$1 billion General Fund for transit and rail connectivity projects
- \$1 billion General Fund for transportation projects related to the 2028 Olympics
- \$968 million from the Coronavirus Relief and Response Supplemental Appropriations Act, of which approximately 40% of funding will be allocated by formula to regional transportation agencies for regional and local projects.
- \$500 million General Fund for Active Transportation Program grants to cities, counties and regional agencies.
- \$500 million General Fund for grade separations and grade crossing projects
- \$23.5 million in additional federal funding for local agency bridges through the Caltrans Local Assistance program

The May Revision also proposes to allocate interest earned on state transportation funding through 2027-28 to state highway projects, for a total of approximately \$1.1 billion in additional funding that would otherwise be allocated to the General Fund.

The County is supporting CSAC's request for an additional \$1 billion investment into local bridge, safety and active transportation infrastructure from one-time funds.

COVID-19 Relief – Federal Funding – Transportation

The Federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021 apportioned \$911.8 million to California (COVID Relief Funds). Under the Act, the COVID Relief Funds may be used for a broad range of surface transportation purposes listed in Section 113(b) of Title 23 of the U.S. Code and are meant to “prevent, prepare for, and respond to coronavirus.” Specifically, the Act allows states to cover revenue losses, which is important given that California’s state-generated transportation revenues have declined by about \$1.5 billion due to the pandemic. Additionally, the Act allows COVID Relief Funds to be used for preventive and routine maintenance; operations; personnel; salaries; contracts; debt service payments; and availability payments; as well as transfers to public tolling agencies. The federal share of costs may be up to 100 percent. At the March Commission meeting, the Commission approved to distribute \$547.1 million (60 percent) of the COVID Relief funding to state programs and \$364.7 million (40 percent) to regional programs. Half of the regional distribution will be distributed through the CRRSAA Program (\$182.4 million) and the other half (\$182.4 million) through the STIP’s Regional Improvement Program.

The CRRSAA Program Guidelines will establish the policies and procedures for the development and adoption of the CRRSAA Program as a result of the funds appropriated from the Federal Coronavirus Response and Relief Supplemental Appropriations Act of 2021. The regional apportionment distribution for the CRRSAA Program was approved by the Commission at the March 2021 Commission meeting. The Guidelines are intended to provide a degree of flexibility while providing accountability and transparency of these federal funds. The Draft Guidelines were released to the stakeholders on April 13, 2021. Two public workshops were held on April 16, 2021 and April 19, 2021. The Commission held a public hearing on May 12, 2021, prior to adoption of the Guidelines. The Commission then adopted the guidelines for the CRRSAA Program at the May Commission meeting.

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.

The Legislature’s Budget approves \$1 million one-time in 2021-22 to the Office of Emergency Services to facilitate mass casualty trainings for coroner offices.

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 17th, 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 sent an update in May stating that the Department of Health Care Services (DHCS) has delayed the planned Go-Live date for Medi-Cal Rx. Currently there is no set date for implementation. DHCS is reviewing conflict of interest concerns brought by Centene Corporation's (Centene) announced plan to acquire Magellan Health, Inc., the parent company of Magellan Medicaid Administration (MMA), the contracted vendor for Medi-Cal Rx. DHCS anticipates providing further updates as additional information becomes available.

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, as well as other important issues.

Executive Orders and Actions Timeline

May 27 – Governor Newsom announced Vax for the Win – California's vaccine incentive program.

May 24 - Governor highlighted his \$2 billion budget proposal for wildfire preparedness and disaster resiliency.

May 21 – The state updated the Beyond the Blueprint Framework for the state's June 15 reopening. Beginning on June 15, all industry and business sectors listed in the current Blueprint Activities and

Business Tiers Chart may return to usual operations with no capacity limits or physical distancing requirements, with limited exceptions for mega events.

May 20 – Governor Gavin Newsom announced an executive order extending the state’s prohibition on price gouging for the following counties impacted by wildfires in August and September 2020: Butte, Napa, Santa Cruz, Sonoma, Fresno, Lassen, Mendocino, Monterey, Shasta, Siskiyou, Solano, Trinity and Tulare. The Governor also announced the state’s new Employer Vaccination Toolkit, which will ease the process for employers to request a workplace clinic or local provider partner, making COVID-19 vaccines even more accessible for their employees.

May 17 – Governor Gavin Newsom announced that California would update masking guidelines when the state reopens on June 15th. This four-week period will give Californians time to prepare for this change.

May 13 - Governor Gavin Newsom unveiled California Roars Back, which represents the largest small business relief program in the nation.

May 11 - Governor Newsom announced historic \$12 billion package to confront the homelessness crisis.

May 10 - Governor Newsom expanded drought emergency to Klamath River, Sacramento-San Joaquin Delta and Tulare Lake Watershed Counties. Governor Newsom announced \$5.1 billion package for water infrastructure and drought response.

May 4 – Governor Newsom announced a series of initiatives building on the state’s work to vaccinate California’s hard-to-reach communities against COVID-19, address vaccine hesitancy and drive innovative efforts in the communities hardest hit by the pandemic. New efforts focus on direct appointment assistance; community outreach including neighborhood canvassing, phone banking and text banking; at-home vaccinations and transportation services; and an additional \$33 million in funding, bringing the total to \$85.7 million, to support community-based organizations.

May 3 - Governor Newsom issued a proclamation declaring May 2-8, 2021 as “Wildfire Preparedness Week” in the State of California. CDPH issued revised guidance for face masks and fully vaccinated people.

April 30 - California Launches New Statewide TV Ads “This Moment” and “Cambiar” to Empower and Inspire Residents to Get Vaccinated.

April 29 - Governor Newsom signed a bill that will give small businesses hit hardest by this pandemic a \$6.2 billion tax cut over the next six years.

April 28 - CDPH has released guidance for water parks, which supports a safe, clean environment for workers and customers. Attendance at water parks is limited based on county risk levels.

April 27 - Centers for Disease Control and Prevention to update masking guidance for fully vaccinated Americans. CDPH issued a statement supporting new masking recommendations and indicated they were working quickly to align California’s guidance. Governor Newsom announced lifesaving oxygen equipment to India as that country faces a devastating and fast-spreading surge of COVID-19 cases.

April 24 - Western States Scientific Safety Review Workgroup recommends resuming use of Johnson & Johnson Vaccine.

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 – 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) was amended on May 24th and establishes the BankCal Program (BankCal) to provide Californians with zero-fee and zero-penalty transaction accounts and debit card services. The bill passed the Assembly Suspense File and is currently on the Assembly Floor.

The bill:

- 1) Establishes the nine-member Public Banking Option Board (Board). The Board's members include the State Treasurer and the commissioner of the Department of Financial Protection and Innovation (DFPI), and will be staffed by employees of the State Treasurer's Office (STO).
- 2) Requires the Board, by July 1, 2023, to complete a market analysis to determine if BankCal can be implemented and if revenue is likely to be sufficient to cover program costs within six years of the program's implementation.

- 3) Includes inoperative provisions that require the Board to design and implement BankCal, which includes appointing an executive director and selecting a program administrator and financial network administrator, all of whom have specified duties and functions. States that these provisions will become operative following the completion of the market analysis and subsequent statutory authorization.
- 4) Establishes the BankCal Fund in the State Treasury and authorizes BankCal Fund moneys to be used to operate the Board for the purposes of conducting the market analysis. Funds may not be used for implementing BankCal until after the market analysis is completed and the Legislature approves implementation of the program.
- 5) Requires an employer with more than 25 employees to maintain a payroll direct deposit arrangement that enables voluntary worker participation in BankCal. The Board must enforce this mandate in coordination with the Labor Commissioner (LC) and non-compliant employers are liable for a civil penalty of up to \$750 per worker.

On March 29th, 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.

This bill is co-sponsored by the California Public Banking Alliance, the California Reinvestment Coalition, and SEIU California and supported by a number of community organizations, and consumer advocacy groups. This bill is opposed by a number of organizations representing the financial services and business sector in California.

AB 310 (Lee), 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. AB 310 is now a two year bill.

Tenant Relief Legislation

Senate Bill 91 protects COVID-19 affected renters from evictions due to non-payment. The bill is set to expire June 30, 2021. A landlord can seek to recover any unpaid rent in court after July 1, 2021, unless the landlord has received government rental assistance funding and waived any remaining rental debt.

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 is now a two-year bill.

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. The bill is now a two-year bill.

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. The bill is now a two-year bill.

CSB Position Bills

AB 32 (Aguilar-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 passed the Assembly Appropriations Suspense File and is on the Assembly Floor.

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

This bill will purposefully add significant unfunded mandates on city councils and boards of supervisors in jurisdictions that have populations over 250,000. While this measure has been amended significantly from when it was introduced, it still imposes significant unreimbursed costs to affected local agencies and contains fatal flaws that have the potential to hinder the goals of transparency and access. The County is joining the League of Cities coalition to oppose to the bill. The bill passed the Assembly Appropriations Committee and is on the Assembly Floor. Aside from this bill, the County is also currently working on a possible clarification to the Brown Act's notice requirement with CSAC.

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 passed the Assembly Appropriations Suspense File and is on the Assembly Floor.

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 hearing in the Assembly Public Safety Committee was cancelled at the request of the author, and the bill is now a two-year bill.

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

This bill allows Community Choice Aggregators (CCAs) to access the California Public Utilities Commission's (CPUC) Bioenergy Market Adjusting Tariff (BioMAT) program. The County is in support of this bill. The bill passed the Assembly Appropriations Suspense File and is on the Assembly Floor.

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 passed the Assembly Appropriations Suspense File and passed the Assembly Floor. The bill is now in the Senate Rules Committee awaiting committee assignment.

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. The bill passed the Senate Floor and is in the Senate Natural Resources Committee.

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 the League of Cities or CSAC to request an amendment to address the definition of "existing structures" within Coastal Act Section 30235. No request for amendment has been made.

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 hearing in the Senate Business and Professions Committee was cancelled at the request of the author, and SB 74 is now a two-year bill.

SB 335 (Cortese) Workers' compensation: liability.

This bill reduces the time period an employer has to deny liability for a workers' compensation claim from 90 to 45 days, or 30 days for a workers' compensation claim for specified presumptive injuries. This bill further requires that a compensation claim which has been unreasonably delayed or refused have its award increased by 10%. The County is a part of a large coalition opposing the legislation. The bill passed the Senate Appropriations Suspense File and is on the Senate Floor.

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. The bill is now a two-year bill.

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 was held on the Senate Appropriations Suspense File and is now a two-year bill.

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

This bill imposes requirements on local governments regarding comments on fee-to-trust applications by California federally recognized tribes. The County doesn't have a position on this bill. The bill passed the Senate Floor and has been referred to the Senate Local Government 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 Appropriations Suspense File and the Senate Floor. The bill is now at the Assembly Desk awaiting a committee referral.

Other Bills that may be of Interest to the County

AB 9 (Wood) Wildfires

The bill establishes 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

This bill allows a local agency to use teleconferencing without complying with the Brown Act's physical access and quorum requirements for teleconferenced meetings when the legislative body holds a meeting under any of these circumstances: for the purpose of proclaiming or ratifying a local emergency; during a proclaimed state of emergency or declared local emergency, and state or local officials have imposed or recommended measures to promote social distancing; or, during a declared local emergency and the legislative body determines by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees.

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

The bill creates the Office of the Housing and Homelessness Inspector General (HHIG) to create greater accountability for state and local actions to address homelessness, imposes new requirements on local governments to develop actionable plans address homelessness, and creates a public right of action for the Inspector General to compel compliance with those new plans, among other things.

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 \$7.08 billion bond. AB 1500 includes \$1.1 billion for wildfires, \$1.16 billion for coastal and ocean climate risks, \$1.775 billion for safe drinking water/drought preparation/flood protection, \$940 million protecting fish, wildlife, and natural areas, \$320 million for protecting farms, ranches, and working lands, \$725 million for extreme heat, and \$1.06 billion for Regional Climate Resilience. AB 1500 can be heard on the Assembly floor at any time between now and June 4th.

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 modifies existing provisions regarding the release of records subject to disclosure.

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 \$5.595 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 45 can be heard on the Senate floor at any time between now and June 4th.

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

This bill increases the annual expenditure limit from the Oil, Gas and Geothermal Administration Fund, the principal source of funding for the Geologic Energy Management Division from a production fee assessed on oil and gas production in the state, for the plugging and abandonment of hazardous or idle-deserted wells to \$10 million, and provides that any of those funds not used annually for that purpose 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 84 (Hurtado) Oil and gas wells: hazardous or idle-deserted wells and facilities.

This bill revises and enhances the legislative reporting requirements of the California Geologic Energy Management Division’s idle oil and gas well program and related matters.

SB 213 (Cortese) Workers’ compensation: hospital employees

This bill creates 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 and are therefore eligible for workers’ compensation benefits.

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

This bill expands an existing industrial injury rebuttable presumption for a diagnosis of a post-traumatic stress disorder (PTSD) to include specified employees at the State Department of State Hospitals, the State Department of Developmental Services, the Military Department, and the Department of Veterans Affairs. This bill also extends this PTSD rebuttable presumption to public safety dispatchers, public safety telecommunicators, and emergency response communication employees. Lastly, this bill expands on the list of peace officers that can claim the PTSD presumption, as specified.

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

This bill enacts the Fair and Effective Collection of Due and Payable Transient Occupancy Taxes Derived from Short-term Rentals Arranged by Short-term Rental Facilitators Act of 2021.

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

May 21st was the last day for fiscal committees to hear and report to the Floor bills that were introduced in their house of origin, while June 4th will be the last day for bills to pass out of the House of origin. Policy committees will resume on June 7th.

The May Revise came out on May 14th and the Senate and Assembly budget committees are meeting throughout May and June to complete the final budget package. The Legislature will then send it to the Governor by June 15th. He will have the authority to "blue pencil" any appropriation contained in the budget that he disagrees with.

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.