

TO: Members, County of Santa Barbara Legislative Committee

FROM: Cliff Berg, Legislative Advocate  
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RE: 2021 June Update

DATE: July 7, 2021

On June 14<sup>th</sup>, the Legislature passed AB 128, the first version of the 2021-22 Budget Act without any agreement with the Administration on a number of spending issues or what the final budget amount should be. The Legislature and the Administration had different priorities and ideas of how to distribute the funding, and the Budget was initially only passed in order to meet the constitutional deadline. The Governor signed AB 128 on June 28<sup>th</sup>.

On June 28<sup>th</sup>, the Legislature adopted a new budget bill - SB 129, that comprehensively amended the first budget bill that was passed on June 14<sup>th</sup>. The amendments contained in SB 129 are the result of negotiations with the administration. Although, the second budget bill passed still does not represent a complete agreement between the Legislature and the Governor with several issues that remain outstanding, including:

- The IHSS collective bargaining penalty, which CSAC and the County continue to advocate in opposition to. The latest information indicates the budget agreement includes a seven percent penalty.
- The budget bill includes \$1 billion in ongoing support for local governments to address homelessness. The trailer bill language to go with the \$1 billion in flexible local aid is still being negotiated.
- A \$730.7 million water and drought resilience package.
- A \$258 million wildfire prevention and forest resilience package.
- A \$200 million agriculture package.

SB 129 is currently in enrollment and awaiting the Governor's action. The Legislature will continue to consider more trailer bills through September.

We are pleased to report that we were successful in securing funding for the County's abandoned pipelines, the County and the City of Carpinteria worked with Senator Limon on including funding for the decommissioning of old abandoned pipelines. We were notified on June 25<sup>th</sup> by the Senator's office that \$1,050,000 was included in the Budget to the County of Santa Barbara and the City of Carpinteria for the Old Venoco abandoned pipeline cleanup.

On June 25<sup>th</sup>, Governor Newsom and the Legislative Leadership also announced an extension of California's statewide evictions moratorium, and an increase in compensation for California's rent relief program. AB 832 (Chiu) extends the current eviction moratorium through September 30, 2021 and ensures that California quickly uses the \$5 billion in federal rental assistance to help the state's tenants and small landlords and protect vulnerable households from eviction.

As stated in the President Pro Tem Toni Atkin's press release, the agreement widens rental assistance by enhancing current law. Provisions include increasing reimbursement to 100 percent for both rent that is past due and prospective payments for both tenants and landlords. Additionally, the bill ensures rental

assistance dollars stay in California by prioritizing cities and counties with unmet needs, and uses the judicial process to ensure tenants and landlords have attempted to obtain rental assistance.

The Legislature is now working through the policy committee process. The Legislature will adjourn for Summer Break on July 16<sup>th</sup> and return on August 16<sup>th</sup>. The bills will then go to fiscal committees of the second house. The last day for bills to pass out of fiscal committees is Aug. 27<sup>th</sup>. Any bills that pass Appropriations and the Suspense File will continue to the floor, if they pass, they will go back to the house of origin for concurrence and then they will go to the Governor's Desk. The last day for bills to be passed to the Governor's desk is Sept. 10<sup>th</sup>, the Governor will then have 30 days to take action.

### June 28<sup>th</sup> Package/Budget Bill – SB 129

Governor Newsom submitted his 2021-22 May Revise to the Legislature on May 14<sup>th</sup>. The Legislature officially submitted their budget on June 14<sup>th</sup> to meet the constitutional deadline, but amended the bill on June 28<sup>th</sup> with some remaining items still yet to be resolved. The June 28<sup>th</sup> Package 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 June 28<sup>th</sup> Package reflects total spending of \$262.6 billion, of which \$196.4 is from the General Fund, and total General Fund reserves equaling a record \$25.2 billion. Total Proposition 98 spending is a record, \$93.7 billion, including \$66.4 billion from the General Fund.

### *Homelessness*

SB 129 includes \$4 billion for the budget year and nearly as much the following year, but allocations and accountability measures have yet to be decided.

As stated in CSAC's budget update, the Budget includes several key investments related to reducing homelessness in California. While some of the proposals were originally introduced by the Governor, and others added as Legislative augmentations, combined they demonstrate a continued, shared value in prioritizing homeless response efforts. These proposals include:

- Project Homekey – \$1.45 billion (\$1.2 billion federal American Rescue Plan Act – ARPA – funds and \$250 million General Fund) in 2021-22 and \$1.3 billion (\$1 billion federal ARPA funds and \$300 million General Fund) in 2022-23.
- Flexible Local Aid – \$1 billion General Fund in 2021-22 and \$1 billion General Fund in 2022-23, with robust oversight and accountability requirements.
- Family Homelessness challenge Grants and Technical Assistance – \$40 million.
- Encampment Resolution Grants – \$50 million.
- Homelessness landscape assessment – \$5.6 million in funding and placeholder trailer bill language for the Homeless Coordinating and Financing Council (HCFC).
- Project Roomkey – \$150 million one-time General Fund to help transition individuals at Project Roomkey sites to transitional or permanent housing.
- CalWORKs Housing Support Program (HSP) – \$190 million General Fund in 2021-22 and \$190 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. Funds are to be used locally to combat homelessness, including enabling assistance to a family at risk of homelessness prior to the start of an eviction.
- Bringing Families Home (BFH) program – \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024.

This funding will include a waiver of the county match requirement for the entire three-year period and funding flexibility to serve families at risk of homelessness.

- Housing and Disability Advocacy Program (HDAP) – \$150 million General Fund in 2021- 22 and \$150 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. This funding will include a waiver of the county match requirement for the entire three-year period and allowing the use of funds for prevention.
- Adult Protective Services (APS) Home Safe Program – \$92.5 million General Fund in 2021-22 and \$92.5 million General Fund in 2022-23, allowing for use of both appropriations until June 30, 2024. This funding will include a waiver of the county match requirement for the entire three-year period and funding flexibility in homelessness prevention approaches, including the ability to serve APS clients at risk of homelessness.
- Community Care Expansion (CCE) program –\$805 million (\$352.5 million General Fund) in 2021-22 on a one-time basis. Of the total amount, \$55 million General Fund is appropriated in 2021-22 for a capitalized operating subsidies reserve (COSR) program to benefit Adult Residential Facilities and Residential Care Facilities for the Elderly that serve SSI/SSP recipients, with trailer bill language for these purposes

### *Administration of Justice*

#### *Fines and Fees*

The budget agreement and AB/SB 143, the courts trailer bill, include the Administration and Judicial Branch's ability-to-pay program that was proposed in January. This includes \$12.3 million General Fund in 2021-22, \$25.1 million in 2022-23, \$47.0 million in 2023-24, and \$58.4 million annually thereafter for the Judicial Branch to support statewide court operations, including processing ability to pay determinations.

The Budget framework also sets aside \$151 million General Fund in 2021-22, \$151 million in 2022-23, \$130 million in 2023-24, and \$120 million in 2024-25 and ongoing to backfill the state and local revenue associated with eliminating additional criminal justice fees. The specific fees have not yet been determined and are subject to further negotiations between the Administration and Legislature. It is expected that an agreement will be part of a package later this summer.

Lastly, AB/SB 143 (courts trailer bill) includes an allocation methodology for the distribution of the \$65 million included in Chapter 92, Statutes of 2020 (AB 1869) which 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 allocation includes the following elements:

- 50% allocated based on the three-year average of each county's adult population compared to that of the state from 2017 to 2019;
- 25% allocated based on the three-year average of each county's total felony and misdemeanor arrests compared to that of the state from 2017 to 2019;
- 25% allocated based on the three-year average of each county's total traffic and nontraffic felony and misdemeanor filings compared to that of the state from 2017 to 2019;
- The Board of Supervisors shall have the authority to determine how funds will be spent;
- The Department of Finance shall determine the by-county allocation by October 1, 2021;
- No later than May 1, 2022, each county's Board of Supervisors receiving funds shall submit a report detailing the actual revenue lost from each individual fee repealed by AB 1869 for each of the three most recent years that a county collected this revenue; and,

- Each county shall submit a report that documents how the backfill allocation was spent. This report shall be submitted no later than January 10 of every year beginning in 2023 for funding that was provided pursuant to this section in the prior year.

*Division of Juvenile Justice Realignment – Office of Youth and Community Restoration*

Consistent with the Governor’s May Revision proposal, the budget includes \$7.6 million General Fund in 2021-22 and \$7 million ongoing for the new Office of Youth and Community Restoration (OYCR) under the Health and Human Services Agency. Additionally, the Budget includes \$20 million one-time General Fund in 2021-22 to provide technical assistance, disseminate best practices, and issue grants to counties and probation departments for the purpose of transforming the juvenile justice system to improve outcomes for justice involved youth.

The Budget also includes \$2.35 million ongoing General Fund and adopts trailer bill to expand and enhance the Pine Grove Youth Conservation Camp.

Lastly, the Budget includes \$1.9 million General Fund in 2021-22, and \$1 million 2022-23, to the Department of Justice to convene a working group to submit a plan for the replacement of the Juvenile Court and Probation Statistical System with a modern database, as a part of the realignment of the Division of Juvenile Justice to the counties.

***Judicial Branch***

Judicial Branch The budget includes several investments in the Judicial Branch to improve access to justice:

- \$40 million General Fund in 2021-22, \$30 million in 2022-23 and ongoing to address pandemic-related expenses, the temporary increase in dependency counsel caseloads due to the COVID-19 pandemic, and to correct for any shortfall in federal funding.
- \$16.5 million General Fund in each of 2021-22 and 2022-23 to the County Law Libraries to backfill lost revenue.
- \$50 million General Fund in 2021-22 and \$20 million in 2022-23 and ongoing for legal aid services through the Equal Access Fund.
- \$200,000 one-time General Fund in 2021-22 to the Los Angeles Court Appointed Special Advocacy Program to support youth in the child welfare system.

The budget also includes \$53.5 million ongoing General Fund to support maintenance, utility, and lease costs for trial court and the Courts of Appeal facilities and \$188 million General Fund to support deferred maintenance. Lastly, the budget includes \$80 million over three years to fund legal aid services for renters and homeowners to avoid eviction and foreclosure and \$60 million one-time General Fund to address civil and criminal backlog of cases resulting from the COVID-19 pandemic.

*Victims of Crime Act Supplemental Funding*

The Budget includes \$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.

### *Community Corrections Performance Incentive Grant program (SB 678)*

The Budget includes \$122.9 million to county probation departments for the Community Corrections Performance Incentive Grant program (SB 678). This allocation is based on the highest payment to the individual counties over the prior three fiscal years and would be in lieu of the current statutory formula. The public safety trailer bill also includes language indicating this formula will be revisited next year.

### *Agriculture, Environment and Natural Resources*

The June 28 budget includes significant investments to prepare for, and protect, communities against our changing climate and disasters. The budget significantly increases General Fund expenditures, focusing on emergency preparedness, drought and wildfire response, and economic recovery. However, at this time, several major resource investment packages are still being negotiated, including implementing legislation and trailer bills as outlined below. Climate Investment Packages Several key climate investment packages are still under negotiation in addition to the June 28 framework budget. These include:

- Wildfire Prevention & Resilience: \$258 million General Fund and other funds, plus an additional \$500 million in 2022-2023.
- Agriculture Budget Plan: \$200 million General Fund and other funds. • Circular Economy (recycling and organic waste): \$65 million General Fund.
- Water and Drought Resilience: \$730 million General Fund.
- Climate Resilience: \$440 million in 2021-22.
- Cap-and-Trade Spending Plan: \$720 million. Drought, Water Supply Reliability and Flood The budget allocates \$3 billion in direct drought and water resilience investments. While part of the drought package still under negotiation, the budget includes several key drought and flood investments:
- \$663 million General Fund one-time to the Department of Water Resources (DWR) for local assistance related to drought relief, such as small community drought relief (\$200 million), urban community drought relief (\$100 million), multi benefit projects (\$200 million), and Sustainable Groundwater Management Act implementation (\$60 million), water conveyance (\$100 million), and \$3 million emergency drought support.
- \$101 million General Fund one-time to DWR for immediate drought support.
- \$237 million General Fund for deferred maintenance at water facilities.
- \$104 million in bond funds for local assistance to support delta levees, \$9.5 million in Proposition 1 funds for flood emergency preparedness, response, & recovery, and \$28.5 million from Prop 68 for floodplain management, protection and risk awareness.
- \$65 million General Fund through the Wildlife Conservation Board for local assistance for drought purposes.
- Defers drought funding details, including implementation legislation (trailer bill language) to future discussions on the drought package.

### *Santa Barbara County Pipeline Clean-Up*

The County of Santa Barbara and the City of Carpinteria worked with Senator Limon on including funding for the decommissioning of abandoned pipelines. We were notified on June 25<sup>th</sup> that \$1,050,000 was included in the Budget to the County of Santa Barbara and the City of Carpinteria for the Old Venoco abandoned pipeline cleanup.

### *Community Resilience and Wildfire*

The budget tackles community resilience and hardening in several different ways. As outlined below, counties will be able to access grant funding through the Hazard Mitigation Grant Program and community resilience centers and fairground budget allocations. Still to be determined are additional funding pots and implementing legislation that are still under negotiation.

#### *Hazard Mitigation Grant Program*

The budget includes \$100 million to support the local share of the Hazard Mitigation Grant program for disadvantaged communities. The funding is part of a plan to develop and implement a new initiative, “Prepare California,” modeled after the Federal Emergency Management Agency program. The new program 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% of the local government’s cost share for participating in the federal hazard mitigation program.

#### *Community Resilience Centers and Fairgrounds*

The budget includes \$150 million one-time General Fund through California Department of Food and Agriculture (CDFA) to support the development and enhancement of community resilience centers. Funding may 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 with community kitchens, shower facilities, broadband, back-up power and other community needs due to wildfires, floods, and other emergencies or climate events.

#### *Coastal Resilience and Sea Level Rise*

The budget provides \$30 million one-time for a sea level rise local assistance grant program to be allocated over the next five years.

#### *Long-Term Recovery Support*

The budget provides \$79 million (General Fund) and \$22 million in Federal Funds for long-term recovery support and strengthening California’s emergency capacity and capabilities. Funding is also directed support California’s recovery efforts and recoupment of eligible federal disaster cost reimbursements for state and local governments, and to maximize the hazard mitigation program to mitigate the impacts of future disasters on the state and local jurisdictions.

#### *California Disaster Assistance Act (CDAA)*

The budget authorizes \$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 real property damaged or destroyed by a disaster or to reimburse local governments for eligible costs associated with emergency activities undertaken in response to a state of emergency proclaimed by the Governor. This augmentation increases total CDAA funding available in 2021- 22 to \$162 million.

#### *LISTOS Grant Program*

The budget makes permanent a LISTOs grant program to further strengthen connections and build resiliency with all communities. The program would include an on-going \$25 million General Fund grant

program and will expand its focus from emergency preparedness to also include emergency response and recovery.

### *Wildfire*

For the Wildfire Prevention and Resilience Package, the budget appropriates \$258 million General Fund and \$75 million Greenhouse Gas Reduction Fund (GGRF) in one-time dollars for 2021-22, as well as \$500 million General Fund for 2022-23. The remaining \$125 million GGRF for 2021-22 is for the purposes of SB 901 (Dodd), Chapter 626, Statutes of 2018, and will be part of the Cap-and-Trade Spending Plan, which is to be finalized later this summer. Details of the wildfire prevention package are to be finalized in further negotiations between the Legislature and Governor. The budget includes \$141 million General Fund, to be phased in over 5 years, to support an additional 30 hand crews for vegetation management, hazardous fuel reduction projects, and wildland suppression. The funding includes 15 CalFIRE crews, eight year-round California Conservation Corps (CCC) crews, and six seasonal crews. In addition, the budget allocates \$5 million (GGRF) to the CCC for fire prevention projects.

### *Wildfire Forecast and Threat Intelligence Integration Center*

The budget implements the Wildfire Forecast and Threat Intelligence Integration Center which is intended to provide real time intelligence and data regarding wildfire threats to government agencies, develop intelligence products for wildfire risk mitigation efforts, and serve as a central organizing hub for wildfire forecasting, intelligence gathering, and analysis. This includes 22 positions, \$7 million General Fund, and \$191,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) in 2021-22 and \$4.2 million General Fund, \$191,000 PUCURA ongoing, to support implementation and strategy development.

### *Wildfire Property Tax Backfill*

The budget framework approves the May Revision proposal 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.

### *Agriculture*

The budget builds in strategic investments to support California's agriculture industry as it faces continued challenges while still producing a huge portion of our nation's food supply. However, as with other budget issues, details are still being negotiated on key components. Significant programs include:

- \$50 million General Fund one-time for Healthy Soils.
- \$60 million General Fund, on a one-time basis, to provide fairground operational support and address fair deferred maintenance needs with language to ensure all fairgrounds may seek funding.
- \$200 million General Fund and other funds to be determined as negotiations continue.

### *Recycling, Toxics and Waste Management*

As counties face mounting waste management costs, counties have advocated for several funding opportunities to support critical state and local programs, including infrastructure for waste management.

Notably, no direct local government support for the development of organic waste programs is included in the June 28 budget. Discussions regarding the organic program are ongoing in both the budget and legislative arenas.

### *Organic Waste and Recycling Infrastructure*

The budget defers action on \$65 million for the Circular Economy Package (reduced from \$130 million in May Revision). This funding was proposed for development of organic waste infrastructure.

Approves the establishment of the Board of Environmental Safety within the Department of Toxic Substances Control with trailer bill language to revise the Environmental Fee rates and the hazardous waste fee rates and structure. Retains local exemptions for certain key programs including used oil recycling.

### *Cannabis*

The Governor's Budget includes 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. 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. We are working with the Department of Finance to understand how this affects the County.

AB 141 is the cannabis trailer bill. This bill makes the following changes:

- Establishes the Department of Cannabis Control within the Business, Consumer Services, and Housing Agency, and transfers to this department the powers, duties, purposes, functions, responsibilities, and jurisdiction of the Bureau of Cannabis Control under the Department of Consumer Affairs, the Department of Food and Agriculture, and the State Department of Public Health, except as specified, and would make conforming changes.
- Creates a framework to authorize cannabis trade samples.
- Authorizes voluntary recalls of suspected adulterated or misbranded products.
- Requires the department to disclose certain licensee information.
- Prohibits the department from renewing a provisional licenses after January 1, 2025, and sunsets the provisional licensing program on January 1, 2026. Licensees will be required to demonstrate specified progress that must be demonstrated with regard to lake and streambed alteration agreements for the issuance of new provisional licenses, and lake and streambed alteration agreements and the California Environmental Quality Act for the renewals of provisional licenses.
  - For an application for a new provisional license that includes cultivation activities, the bill would allow an applicant to submit certain documentation to the department regarding a lake or streambed alteration agreement, until June 30, 2022.
  - Authorizes the department to renew a provisional license if certain conditions are met.
  - Prohibits the department from issuing a provisional cultivation license if the application is submitted after January 1, 2022, and the provisional license would cause a licensee to hold multiple cultivation licenses on contiguous premises to exceed one acre.

- Prohibits the department from renewing a provisional cultivation license if the license would cause a licensee to hold multiple cultivation licenses on contiguous premises to exceed one acre after January 1, 2023.

CSAC along with the California Cannabis Industry Association, League of California Cities, RCRC and the International Cannabis Farmers Association sent a letter to Legislative Leadership and the Budget Chairs on June 29<sup>th</sup> stating that they are opposed unless amended to AB 141, stating that, “While we support the provisions in the bill to consolidate the three cannabis licensing agencies into a new Department of Cannabis Control, we have significant concerns with the language extending the cannabis provisional license program.”

CSAC letter states that the bill imposes unrealistic timelines placed on local jurisdictions to complete the processing of permit applications. These timelines fail to consider the staffing challenges faced by jurisdictions with high volumes of cannabis applications that add hundreds and, in some cases, thousands of applications on departments already struggling to fulfill the permitting needs of their community. The letter continues to state that this bill also fails to consider the manner in which many local jurisdictions are complying with the State’s rigorous CEQA obligations for cannabis. The language exponentially also accelerates the environmental compliance timelines required for applicants and licensees seeking cultivation in excess of a medium license type.

The bill was passed on July 1st, and we are currently discussing clean-up options regarding the provisional licensing piece.

### ***Broadband***

The budget includes a \$6 billion plan for broadband infrastructure and improved access to broadband over a multi-year period. The plan includes \$3.75 billion for a statewide open-access middle-mile network, \$250 million for a loan-loss reserve to leverage additional investment, and \$2 billion for last-mile projects. Of the \$6 billion, \$4.3 billion comes from the American Rescue Plan Act and \$1.7 billion is General Fund. The entire middle-mile appropriation is in the budget year, while the other pieces seem to be contingent on further legislation, the details of which will continue to be negotiated between the Legislature and the Governor.

In addition to this infrastructure package, the budget also provides \$6 million for public libraries for the Broadband Connectivity initiative, as well as \$35 million, available until June 30, 2025, for local projects to expand broadband access for isolated and under-served communities through a collaborative partnership of local education agencies, regional and local libraries, and telehealth providers.

The County supported the Governor’s \$7 billion proposal to invest into broadband infrastructure.

### ***Library Infrastructure Grants***

The Budget Bill Jr, AB/SB 129, also makes a minor change to the \$439 million in for local library infrastructure grants that was included in AB 128. The grants, which would support local library maintenance, capital projects, broadband and technology upgrades, and purchasing of devices, would be prioritized to libraries located in high-poverty areas of the state. AB 129 would increase the maximum grant size to \$10 million from \$2 million.

## ***Health and Human Services***

### ***Health and Human Services Suspensions Eliminated***

The budget agreement eliminates the program suspensions for several Health and Human Services (HHS) programs that were in current law. These include the restoration of the seven percent cut in In-Home Supportive Services (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.

### ***Local Public Health Funding Compromise***

The push and pull between the Legislature and Governor on the California Can't Wait Coalition's request for \$200 million in ongoing state funding for local public health jurisdictions has resulted in an out-year compromise: A commitment to provide up to \$300 million annually starting in 2022-23. The out-year funding commitment is included in AB/SB 129, otherwise known as the Budget Bill Jr., which also includes \$3 million for a public health workforce study in 2021-22. Also included for 2021-22 is \$13 million to support investments to end the epidemics of HIV/AIDS, Hepatitis C, and sexually transmitted infections until June 30, 2025.

### ***Behavioral Health Continuum Infrastructure Program***

The budget framework includes \$443,499,000 for the Governor's Behavioral Health Continuum Infrastructure Program until June 30, 2026. Of that amount, \$150 million is earmarked to support mobile crisis infrastructure, \$100 million for justice-involved initiatives through 2024, \$30 million for a Population Health Management service only if legislation is enacted that clarifies its implementation, and \$4.6 million for interoperability or data exchange purposes. Many details remain unclear and more implementation negotiation, and perhaps even a standalone trailer bill, is expected.

### ***Children and Youth Behavioral Health Initiative***

The Governor's Children and Youth Behavioral Health Initiative is funded in the June 28 budget, with \$27.5 million for county-school behavioral health partnerships and \$5.5 million for qualifying Medi-Cal managed care plans to implement school interventions. Millions more is earmarked for other youth behavioral health efforts for Californians aged 0 to 25. As with the infrastructure funding above, more details are needed and may be included in additional legislation.

### ***Behavioral Health Quality Improvement Program***

The budget deal retains \$21.75 million for county behavioral health departments to implement CalAIM components while ensuring quality behavioral health care. Mental Health Services Act Flexibility As part of the budget deal, AB/SB 134 extends the deadline for a county to submit its three-year Mental Health Services Act (MHSA) plan for one more year, to July 1, 2022. The bill also authorizes a transfer of \$187 million from the Federal Trust Fund to DHCS to "support community mental health services." AB/SB 134 is a majority vote bill because it does not alter the main intent of the MHSA as approved by the voters.

### ***CalAIM Update***

In 2019 and early 2020, DHCS conducted extensive stakeholder engagement for proposed CalAIM initiatives. CalAIM implementation was originally scheduled to begin in January 2021 but was delayed

due the impact of the COVID-19 public health emergency. In light of this delay, on December 29, 2020 DHCS received approval from the Centers for Medicare & Medicaid Services (CMS) for a 12-month extension (through December 31, 2021) of the existing Medi-Cal 2020 Section 1115 demonstration. DHCS is currently preparing a request for a five-year renewal, with amendment, of the Medi-Cal 2020 Section 1115 demonstration, along with a comprehensive Section 1915(b) managed care waiver request that would also be for a five-year period. Pending negotiations with CMS, the CalAIM initiative is scheduled to begin implementation on January 1, 2022.

The Governor released a multiyear funding plan for CalAIM. In 2021-22, the Governor proposes spending \$532 million General Fund (\$1.1 billion total funds) on CalAIM. Costs in 2021-22 represent a half-year of ongoing CalAIM proposals and certain one-time costs. In 2022-23, funding would ramp up to \$745 million General Fund (\$1.5 billion total funds) to reflect a full year of implementation. CalAIM funding would remain at a similar level as 2023-24. Beginning in 2024-25, funding would be reduced to its ongoing level of \$423 million General Fund (\$846 million total funds). This reduction reflects the expiration of certain limited-term spending components, namely, the managed care plan incentive payments related to ECM and ILOS.

#### *Department of State Hospitals*

Counties engaged in nearly two months of negotiations with the state in search of viable solutions to reducing the 1,600-person wait list for individuals who have committed a felony and been found to be Incompetent to Stand Trial (IST) to be admitted from county jails into treatment at a state hospital. AB/SB 129 dedicates \$255 million (and up to \$75 million more upon approval) to allow the Department of State Hospitals (DSH) to contract for additional capacity in the community.

The Governor had proposed in his May Revision Budget to halt admissions of county Laneterman-Petris-Short (LPS) conservatees at state hospitals to clear beds for felony IST individuals on the wait list. Counties vociferously opposed this plan, as it would have sent ill LPS conservatees back to counties with no assistance in creating local placements for these complex cases. Fortunately, the Legislature agreed and the budget deal announced to date does not include a halt to LPS admissions.

The health trailer bill, AB/SB 133, authorizes DSH to begin charging counties for IST individuals who are either restored or declared unrestorable if the county does not take a person back into custody 10 days after the notification.

CSAC expects additional trailer bill language, likely in another bill this summer, to create a more formal state-led IST working group of all stakeholders. This working group would develop recommendations to solve the waitlist issue, but, if it cannot be successful, DSH would be authorized to discontinue LPS admissions.

The Budget also includes \$12.7 million to partner with local county jails to re-evaluate individuals deemed Incompetent to Stand Trial on a felony charge who have waited in jail 60 days or more pending placement to a state hospital treatment program.

#### *Medi-Cal*

The Health Trailer Bill, AB/SB 133, includes several additions and restorations of Medi-Cal benefits, including:

- Expanding Medi-Cal benefits to all undocumented adults aged 50 and above;

- Extending full-scope Medi-Cal benefits to pregnant people from 60 days postpartum to 12 months postpartum;
- Restoring coverage for so-called optional benefits, including audiology, optometric services, podiatric services, and incontinence creams and washes; and,
- Restoring pharmacy coverage for cough and cold medicines, and acetaminophen containing drugs

AB/SB 133 also authorizes the Department of Health Care Services (DHCS) to seek federal approval for the continuation of telehealth options for Medi-Cal enrollees.

### ***In-Home Supportive Services (IHSS)***

#### *IHSS Collective Bargaining Tools*

The Human Services trailer bill should contain the CSAC-sponsored proposal that was included in both the May Revision and the legislative budget package to provide continuity for IHSS collective bargaining funding mechanisms. This proposal will maintain the existing sharing ratio of 35% county/65% state for local wage increases up to the cap instead of that sharing ratio flipping on January 1, 2022. In addition, it will maintain the ten percent over three years tool that allows counties to secure state participation above the cap. These provisions will help sustain the significant progress on IHSS collective bargaining that has been achieved in recent years.

The final language is anticipated to clarify the intent of the proposal related to the number of uses of the ten percent over three years tool. CSAC had initial concerns with the Administration's proposal as it appeared that counties would be limited to two uses of this tool and some counties are already on their second use. However, the Administration clarified that their intent was for all counties to be able to use the tool two times for three-year periods that begin on or after January 1, 2022, no matter how many times a county has utilized the tool prior to that date.

#### *Collective Bargaining Fiscal Penalty*

The County along with CSAC is advocating in opposition to the UDW-sponsored proposal to enact a ten percent fiscal penalty on counties that fail to reach a collective bargaining agreement. There are indications about the budget agreement including a seven percent penalty on counties that fail to reach agreement, but no language has been made available.

#### *IHSS Hours Restoration*

The budget agreement will eliminate the suspension for the seven percent reduction in IHSS service hours that could have potentially gone into effect as one of the HHS program suspensions.

#### *IHSS Career Pathways*

The budget agreement includes a one-time, \$200 million investment for supporting and incentivizing career pathways for IHSS providers. This funding would be appropriated contingent upon legislation being adopted that clarifies the program objectives, implementation design and timelines, data collection, and measurement of outcomes for the program.

#### *Aging Programs*

The budget agreement includes several investments for aging programs that are aligned with the implementation of the Master Plan for Aging. These include:

- \$35 million ongoing for the Senior Nutrition Program

- \$40 million for capacity and infrastructure for the Senior Nutrition Program
- \$50 million one-time for a grant program for counties to provide access to technology for older adults
- \$3.3 million ongoing baseline funding increase for the Area Agencies on Aging, and,
- \$2 million ongoing to continue CalFresh Expansion outreach efforts for older adults.

### *Child Welfare and Foster Care*

#### *Continuum of Care Reform*

The Continuum of Care Reform (CCR) enacted significant changes in the child welfare program that are intended to reduce the use of group homes, increase the availability of traumainformed services and improve outcomes for foster youth. Current law requires a CCR true-up and a methodology has been developed to determine the appropriate amount of funding owed to counties for increased workload for CCR implementation. The budget agreement includes \$85 million in 2021-22 for CCR true-up costs for the Resource Family Approval (RFA) process.

#### *Family First Prevention Services Act (FFPSA)*

California continues to move forward with implementation of the federal FFPSA. The May Revision included an investment of \$122.4 million over three years for new prevention services. The budget agreement includes the May Revision amount and an additional \$100 million in 2022-23. This funding would help counties establish local services and supports to prevent children and youth from entering foster care.

#### *Out of State Youth Returning to California*

In December, the Department of Social Services announced that it was decertifying all out-ofstate group homes and requiring counties to find a California placement for these youth. The May Revision included \$39.2 million to further support these youth as well as other foster youth with complex needs. The budget agreement approves the May Revision amount and provides an additional \$100 million in 2022-23 for services for complex care needs foster youth, including those youth who recently returned from out-of-state.

#### *CalFresh and Nutrition Assistance*

The budget agreement includes several investments for CalFresh and other nutrition assistance efforts. These include:

- \$7 million ongoing for county administration for CalFresh changes adopted in the 2020 budget
- \$8.2 million one-time for county administration for CalFresh expansion to students in higher education
- \$80 million one-time for food bank operations
- \$150 million one-time for capacity and infrastructure grants for food banks, and,
- Expansion of the California Food Assistance Program (CFAP) to serve individuals not eligible for CalFresh or the current CFAP.

#### *CalWORKs*

The budget agreement includes several investments for CalWORKs. These include:

- Providing a 5.3% increase to the Maximum Aid Payment levels;

- Funding to incrementally increase CalWORKs intensive case management services;
- Raising the applicant earned income disregard;
- Restoring a May Revision cut to the CalWORKs eligibility funding in the Single Allocation; and,
- Funding for the Family Reunification CalWORKs Assistance Payment to allow services to continue to be provided for up to 180 days when a child is removed from the home and receiving out-of-home care.

### *Child Support*

The budget agreement approves the Governor's proposals to restore funding for Local Child Support Agencies (LCSA). This action restores funding to the level it was at prior to the cut in 2020-21 and consistent with the new budgeting methodology.

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

The budget agreement provides funding to restore 50% of the remaining 2009 SSI/SSP grant cut and anticipates the remainder of the cut will be restored in 2023-24.

### *Housing*

The budget framework includes the following significant one-time investments in affordable housing and homeownership programs:

- \$1.75 billion from the Coronavirus Fiscal Recovery Fund (CFRF) to fund the backlog of affordable housing projects seeking state and federal tax credits.
- \$600 million (\$500 million in CFRF funds and \$100 million in General Fund) for planning and implementation grants to help local governments meet Sustainable Communities Strategies greenhouse gas emissions reduction goals through the development of location efficient housing (trailer bill language for this program is not yet available).
- \$500 million in General Fund for a Foreclosure Intervention Housing Preservation Program.
- \$300 million from the Coronavirus Fiscal Recovery Fund for affordable housing preservation.
- \$284.1 million in Proposition 1 (2018) bond funds for infill infrastructure grants to support affordable housing development.
- \$250 million General Fund for infill infrastructure grants, including a \$90 million set aside for projects in small jurisdictions with a flexible definition of infill and an over-the counter application process.
- \$100 million in General Fund for the California Housing Finance Agency's (CalHFA) homebuyer assistant program.
- \$81 million from CFRF for CalHFA's accessory dwelling unit financing program.
- \$80 million in General Fund for farmworker housing, including \$50 million for grants from the Joe Serna Jr. Farmworker Housing Program and \$30 million for the Office of Migrant Services for deferred maintenance projects.
- \$50 million in General Fund for the Golden State Acquisition Fund financing program to support the creation and preservation of affordable housing.
- \$45 million in General Fund for CalHFA's low- and moderate-income housing program. The framework also includes \$4.3 million in General Fund in 2021-22 and \$3.8 million in 2022- 23 to create a Housing Accountability Unit within the Department of Housing and Community Development. This unit will provide technical assistance and oversight of local government compliance with state housing laws.

### *Rental Assistance and Eviction Protections*

The budget includes the state share of an additional \$2.6 billion in federal funds available for emergency rental assistance to California tenants and landlords affected by the COVID-19 pandemic. AB 832 (Chiu) extends and modifies the framework of tenant protections and rental assistance funding created by SB 91 (Committee on Budget and Fiscal Review, 2021). AB 832 was approved by both houses of the Legislature with two-thirds votes and will take immediate effect upon the Governor's signature as an urgency measure. Key changes related to tenant protections in AB 832 include:

- Expanding funding eligibility for 100% of rental arrears and future rent for both landlord and tenants, for up to 18 months of total aid.
- Allowing tenants to apply on their own if their landlord does not apply.
- Extending eviction protections for non-payment of rent related to the impacts of the COVID-19 pandemic from June 30, 2021 to September 30, 2021, provided that the tenant has paid 25% of the rent due.
- From October 1, 2021 to March 30, 2022 evictions for rental debt accumulated due to COVID-19 cannot proceed unless the landlord has applied for and been denied rental assistance funding to cover the rental debt.

Key changes related to locally enacted COVID-19 tenant protections and the administration of emergency rental assistance in AB 832 include:

- State preemption of any local eviction protection measure is extended until March 31, 2022.
- Local governments that have completed rental assistance payments pursuant to SB 91 must provide additional assistance from AB 832 to previous recipients so that total assistance is equivalent to 100% of an eligible household's rental arrears or prospective rent to the period originally requested.
- Local governments that received SB 91 block grant funding must obligate 65% of that funding no later than August 1, 2021, after which unobligated funds shall be available for reallocation to other parts of the state based on unmet need, rate of applications, rate of attrition and rate of expenditures.
- By September 15, 2021, each local government rental assistance program must develop mechanisms, including but not limited to telephone and online access, for landlords, tenants and courts to verify the status of applications for rental assistance, including whether the application has been approved or denied and, if applicable, the reason for the denial.

SB 91 allowed counties with populations of at least 200,000 to choose between three options for implementation of "round one" emergency rental assistance funding: Option A (state administered program), Option B (locally administered program conforming with state program), and Option C (non-conforming locally administered program). AB 832 includes options for counties to select a different administrative model for the "round two" emergency rental assistance, subject to limitations outlined in Sections 24 and 26 of the bill.

For round two emergency rental assistance funding, the Department of Housing and Community Development (HCD) can use up to 15% of funding available for state administration. HCD shall also reserve \$125 million for emergency rental assistance to tenants and landlords in counties with populations less than 200,000 to be allocated based on each county's proportionate share of the population from the 2019 federal census data.

Counties with populations of 200,000 or greater are eligible to apply for round two block grant funding, which will be allocated based on the local jurisdiction's share of the state's population from the 2019 federal census data. Grantees must request an allocation no later than 30 days after the operative date of AB 832. HCD shall pay all grantees an initial payment of at least 40% of each grantee's total round two allocation based on their share of population. Grantees must contractually obligate 75% of this initial allocation by October 31, 2021, and 50 percent of their total state allocation by January 31, 2022.

*Detailed provisions of AB 832 include:*

- Evictions for nonpayment of rent may not be filed before October 1, 2021, for an eligible tenant impacted by COVID-19 who properly returns the relevant declarations in response to a notice.
- Tenants will have until September 30, 2021, to pay 25% of the rent that was owed from September 1, 2020, through September 30, 2021, to be protected from eviction for nonpayment of rent during that time period.
- Collection actions for COVID-19 rental debt may not begin before November 1, 2021.
- Sunset dates in SB 91 will be extended by 3 months with two exceptions: the sunset on state preemption of local protections will be extended through March 31, 2022, and the provisions limiting access to court records related to evictions for non-payment of rent between March 4, 2020, and September 30, 2021, will become permanent.
- Both tenants and landlords will be eligible for relief in the amount of 100% of rental arrears accrued starting April 1, 2020. Payments are retroactive, so any landlord or tenant who has already received funds can still get to 100%.
- Tenants are able to apply on their own if their landlord does not apply.
- Eligible tenants can get 100% of prospective rent up to a maximum of 18 months of total rental assistance to the tenant.
- Relief will be available for back rent owed by a tenant who has already moved out, but these payments can only go directly to landlords.
- From October 1, 2021, through March 31, 2022, no summons can issue in an unlawful detainer based on non-payment of rental debt that "accumulated due to COVID hardship" unless the landlord can show that they applied for rental assistance and the application was denied. This will not apply to new tenancies created after October 1, 2021 (a new landlord-tenant relationship; not just a new lease). If a landlord does not make this showing within 60 days, the case shall be dismissed without prejudice.
- Starting October 1, 2021, a tenant in an unlawful detainer who has an approved rental assistance application, can petition the court to stay the unlawful detainer until the funding is received. The case will be dismissed if that payment resolves the unpaid rent that is the basis of the unlawful detainer.
- The state and all local rental assistance programs will have to develop a way for courts, landlords, and tenants, to verify the status of a rental assistance application.
- The ability for a court to offset in a collection action any amount a landlord was eligible to get from a rental assistance program but for which they failed to apply will be extended to Option C jurisdictions. (This previously only applied in A and B jurisdictions)
- The 15-day notice informing tenants who have not paid rent of their rights under SB 91/AB 832 will remain in effect through September 30, 2021, and revert to a 3-day notice on October 1, 2021.
- If a tenant submits an application and is issued funds, the tenant must give the funds to the landlord within 15 days or face a one-month late fee so long as the lease permits late fees.

## *Transportation*

The June 28 framework makes significant one-time investments in state and local transportation infrastructure:

- \$1.1 billion for State Highway Operations and Protection Program projects from interest earnings on dedicated state transportation revenues, including \$316 million earned to-date on SB 1-related revenues and additional interest to be accrued for those programs between 2020-21 and 2027-28.
- \$1 billion in General Fund for projects related to the 2028 Olympics in Los Angeles.
- \$1 billion in General Fund for rail and transit projects.
- \$500 million General Fund for city and county active transportation project grants.
- \$500 million in General Fund for grade separation projects through the Transit and Intercity Rail Capital Program.
- \$400 million in General Fund for a new state and local transportation infrastructure climate adaptation grant program, pending approval of authorizing legislation.
- \$396.7 million from the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) to be allocated to regional transportation planning agencies for regional and local projects.
- \$23.5 million from Highway Infrastructure Program funding for city and county bridge projects.

### *SB 1 Maintenance of Effort Requirement*

The transportation budget trailer bill (AB/SB 149) includes language providing relief from SB 1 (Beall, 2017) maintenance of effort (MOE) requirement for cities and counties. CSAC and other stakeholders negotiated this language with the Administration last summer. Specifically, the trailer bill waives the MOE requirement for 2019-20, and in 2020-21 and 2021-22, each local agency's SB 1 MOE will be prorated downward based on reductions in taxable sales from 2018-19 to 2020-21 and 2021-22, respectively. No city or county's MOE will be increased pursuant to these provisions.

The trailer bill also authorizes a local agency to petition the Controller to use transient occupancy tax (TOT) revenues in lieu of taxable sales as the basis for calculating the revised MOE requirement for 2021-22. To be eligible for this calculation, the local agency's 2018-19 TOT revenues must exceed the amount of the agency's non-prorated SB 1 MOE. Moreover, the local agency must show that the rate of the local agency's reduction in TOT revenues between 2018-19 and 2020-21 exceeded the rate of reduction in sales and use tax revenue between 2018-19 and 2020-21.

### *Clean California Initiative*

The budget includes \$418 million over three years for Caltrans litter removal, as well as \$328.9 million for state and local beautification projects. The transportation trailer bill (AB 149/SB 149) creates the Clean California Local Grant Program of 2021 to award local and regional public agencies up to \$5 million per grant for community litter abatement projects, events, and educational programming as well as greening and landscaping projects on local streets and roads, tribal lands, parks, pathways, transit centers, and other public spaces. The bill requires Caltrans to develop guidelines, including project selection criteria and program evaluation metrics. Local matching funds of up to 50% will be required, although Caltrans can reduce or waive the requirements for disadvantaged communities. The program will require a process for allocating 50% of the program funds to projects to benefit underserved communities, to be defined by Caltrans. The trailer bill prohibits grants for projects that displace persons experiencing homelessness.

### ***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.

The Budget bill included \$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 17<sup>th</sup>, that the Department of Health Care Services (DHCS) is again delaying the planned implementation date of the Medi-Cal Rx transition, which was previously scheduled for April 1, 2021. DHCS stated in their announcement that they need to review new conflict avoidance protocols submitted by Magellan Health, the project's contracted vendor. The State 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. As of July 5<sup>th</sup>, there has been no update.

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*

June 29 - Governor Gavin Newsom announced that California secured a Fire Management Assistance Grant (FMAG) from the Federal Emergency Management Agency (FEMA) to help ensure the availability of vital resources to suppress the Lava Fire burning in Siskiyou County.

June 28 - Governor Gavin Newsom signed legislation to extend the state's eviction moratorium through September 30, 2021 and clear rent debt for low-income Californians that have suffered economic hardship due to the pandemic.

June 25 - Governor Newsom and legislative leaders announced eviction moratorium extension and increased compensation for rent relief.

June 22 - Governor Newsom declares State of Emergency for Madera and Mariposa counties due to January wind event.

June 15 - California Reopens. Restrictions such as physical distancing, capacity limits and the county tier system end.

June 11 - Governor Newsom announces plans to lift pandemic executive orders. That includes terminating the Stay-at-Home Order and retiring the Blueprint for a Safer Economy. Effective June 15, restrictions such as physical distancing, capacity limits and the county tier system will end.

June 7 - CDPH launches campaign to reach parents in pandemic's hardest hit areas about K-12 schools and safety leading up to Fall 2021 school year.

June 3 - Governor Newsom announced extension of regulatory relief that allows restaurant and bars to continue expanded outdoor operation through the end of 2020.

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](https://schools.covid19.ca.gov) – was launched as a one stop shop for information about safe in-person instruction, and will be updated frequently.

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

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

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

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

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

### Public Banking, IBank and Banking Issues

AB 1177 (Santiago) was last amended on June 24<sup>th</sup>. The bill would lay the foundation to eventually create the BankCal program, which would partner with existing financial institutions and employers to create a means by which low-income communities can access savings accounts with less prohibitive requirements and fee structures. The bill passed the Senate Banking and Financial Institutions Committee and Committee on Labor, Public Employment and Retirement, and has now been referred to the Senate Appropriations Committee.

Most of the bill's provisions are inoperative due to amendments inserted into the bill by Assembly committees. The following major provisions would be operative on January 1, 2022, if this bill is enacted into law:

- 1) The Public Banking Option Board, chaired by the State Treasurer, would be established as a new entity in state government.
- 2) For the purposes of executing its responsibilities described, the board would be authorized to act as a state entity, such as hiring staff, entering into contracts, and incurring and paying for expenses.
- 3) The board would be required to contract with one or more independent entities to conduct a market analysis that evaluates whether the proposed program can be implemented and whether the program can generate sufficient revenues to offset program costs within six years.

Meanwhile, nearly all of the author's and sponsor's vision of the BankCal program is contained in provisions that will not be operative until the market analysis is reviewed by the Legislature and a subsequent bill is enacted to make the provisions operative. Those provisions include appointing an executive director of the BankCal Board, selecting a program administrator, and selecting a financial services network administrator.

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

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.

### Brown Act

In June, Governor Newsom extended the Executive Order N-29-20, which provides flexibility to state and local agencies and boards to conduct their business through virtual public meetings during the COVID-19 pandemic.

The County is working with CSAC on a possible statutory fix to allow board and appointed commission members to operate remotely while removing the requirement to post agendas at private teleconference locations as well as removing the requirement to post the teleconference location from where a board or appointed commission member will be participating from.

The County believes that local government should be able to carry forward the benefits resulting from the use of modern technology during the pandemic. Allowing flexibility for local governments to conduct business remotely would allow for immunocompromised individuals to continue to work safely, while at the same time allow for local government to provide more accessibility to underserved communities.

The County has dramatically shifted the way they conduct their public business due to COVID-19 in order to maintain the health and safety of staff and the public. Technology has allowed local governments to remain efficient and accessible in the midst of a global pandemic, therefore local governments need to remain proactive and use modern technology not only in day-to-day business, but to improve the diversity of government and our appointed commissions all while reducing our carbon footprint.

### CSB Position Bills

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

The bill would require the State Department of Health Care Services (DHCS) to extend the telehealth flexibilities, including telephone visits, in place during the COVID-19 Pandemic. Additionally, AB 32 ensures patients will continue to have access to care by maintaining parity in reimbursement for telehealth services for Medi-Cal managed care plans. The County is in support of this bill. The bill passed the Assembly Floor and is now set for hearing in the Senate Health Committee on July 14<sup>th</sup>.

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

This bill requires, until December 31, 2023, that city councils and boards of supervisors in jurisdictions over 250,000 residents provide both in-person and teleconference options for the public to attend their meetings.

The County previously joined CSAC and the League of Cities to oppose the bill. The County is currently working with CSAC and the Author's office to seek an amendment that would clarify the Brown Act's

notice requirement. The bill passed the Senate Governance and Finance Committee on June 28 and is set for a hearing in the Senate Judiciary Committee on July 13<sup>th</sup>.

*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. The County is in support of the bill. The bill passed the Senate Business, Professions and Economic Development Committee on June 18<sup>th</sup> and has now been placed on the Senate Appropriations Committee Suspense File.

*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 Floor and is set to be heard in the Senate Energy, Utilities and Communications Committee on July 12<sup>th</sup>.

*AB 941 (Bennett) Farmworker assistance: resource centers.*

This bill, upon appropriation by the Legislature, requires the Department of Community Services and Development (CSD) to establish a grant program for counties to establish farmworker resource centers that will provide farmworkers and their families information and access to services related to, among other things, labor and employment rights, education, housing, immigration, and health and human services, as specified. The bill also requires the department to convene and facilitate a workgroup to assist in the establishment and administration of the grant program, as specified. The County is in support of this bill. AB 941 is set to be heard in the Senate Human Services Committee on July 6<sup>th</sup>.

*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 has been referred to the Senate Labor, Public Employment and Retirement Committee.

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

This bill establishes the California Sea Level Rise Mitigation and Adaptation Act of 2021 (Act) and declares the purpose of the Act is to establish new planning, assessment, funding, and mitigation tools for California to address and respond to sea level rise. Requires the California Coastal Commission (Commission) to take into account the effects of sea level rise in coastal resources planning and management policies and activities in order to identify, assess, and, to the extent feasible, mitigate the

adverse effects of sea level rise. The bill passed the Assembly Natural Resources Committee and has been referred to the Assembly Appropriations 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 47 (Limon) Oil and gas: hazardous and idle-deserted wells and production facilities: expenditure limitations.*

This bill authorizes, starting in fiscal year 2022-23, the Geologic Energy Management Division (Division) to make expenditures up to \$5 million to plug and abandon hazardous or deserted wells or hazardous or deserted production facilities and extends related reporting requirements. The County is in support of the bill. The bill is set to be heard in the Assembly Natural Resources on July 7<sup>th</sup>.

*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 Floor and is now set in the Assembly Insurance Committee on July 13<sup>th</sup>.

*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 612 (Portantino) Electrical corporations and other load-serving entities: allocation of legacy resources.*

This bill requires electric investor-owned utilities (IOUs) to offer an allocation of certain electrical resources to other load-serving entities (LSEs), specifically, community choice aggregators (CCAs) and electric service providers (ESPs), that serve departing load customers who bear cost responsibility for those resources. These electrical resources include product attributes to comply with resource adequacy (RA), Renewable Portfolio Standard (RPS) program, and others. The County is in support of the bill. The bill was set to be heard in the Assembly Utilities and Energy Committee but the hearing was postponed by the Committee.

*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 Assembly Local Government Committee and has been referred to the Assembly Appropriations Committee.

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

The bill would establish a grant program for broadband adoption programs in public housing, including digital literacy and computer lab programs, to reduce the digital divide. The County is in support of the bill. The bill passed the Assembly Communications and Conveyance Committee and has been set in the Assembly Housing and Community Development.

*SB 765 (Stern) Accessory dwelling units: setbacks.*

This bill repeals the existing prohibition on a city or county imposing a requirement of a setback for an accessory dwelling unit (ADU) of more than four feet from the rear and side lot lines. The County is in support of this bill. The bill is now a two-year bill.

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.*

This 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 to address homelessness, and creates a public right of action for the Inspector General to compel compliance with those new plans, among other things. This bill also requires the Homeless Coordinating and Financing Council to conduct, or contract to conduct, a statewide gaps and needs assessment, as provided.

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

AB 896 provides the state with an additional tool to minimize the number of orphan wells. There are over 29,000 idle wells in the state, and there will be serious consequences to communities if those wells are not responsibly managed, plugged, and abandoned. This bill would require the establishment of a collections unit at the division, and authorize the supervisor to impose a lien on property, among other things.

*AB 1138 (Rubio) Unlawful cannabis activity: civil enforcement.*

This bill is intended to provide an additional enforcement mechanism against unlicensed cannabis activities. The bill establishes a civil penalty for a person who aided and abetted unlicensed cannabis activities, as defined, of up to \$30,000 per violation, with each day of unlicensed cannabis activity constituting a separate violation.

*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 is in the Assembly Rules Committee.

*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 builds and expands upon SB 1421, requiring that additional types of personnel records be disclosed.* In order to increase transparency of police personnel records, this bill expands the categories of records that are subject to disclosure under the California Public Records Act (CPRA), imposes new requirements for record retention, specifies a timeline for a law enforcement agency to provide public records to the requester, and limits the costs that can be charged by a law enforcement agency for providing records in response to CPRA requests.

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

This bill is the Wildfire Prevention, Safe Drinking Water, Drought Preparation, and Flood Protection Bond Act of 2022, it is a \$5.595 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. This bill is on the inactive file per the request of the author.

*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 requires additional reporting to the Legislature on the idle well program at the Geologic Energy Management Division (CalGEM) including the location of applicable oil and gas wells and facilities.

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

Expands an existing industrial injury rebuttable presumption for a diagnosis of a post-traumatic stress disorder (PTSD) to additional firefighters public safety officers.

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

This bill authorizes, on and after July 1, 2022, a local agency to enact an ordinance to delegate to the California Department of Tax and Fee Administration (CDTFA) exclusive authority to administer and collect any transient occupancy tax (TOT) imposed on short-term rentals collected and remitted by short-term rental facilitators.

*SB 556 (Dodd) Street light poles, traffic signal poles: small wireless facilities attachments.*

This bill requires street light poles and traffic signal poles owned by a local government or local publicly owned electric utility (POU) to be made available for the placement of small wireless facilities, and outlines the rates and fees that may be imposed for this use of these poles.

*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

The Legislature is now hearing bills in the second house's policy committees before the July 14th deadline for policy committees to meet and report bills. They will break for Summer Recess on July 16th and reconvene on August 16th. They will work from August 16th until September 10th when they recess the first year of the two-year session. They will return in January to continue the second half of the two-year session.

The Legislature sent their budget to the Governor without an agreement on June 14th in order to meet the constitutional deadline to pass the budget. The Legislature amended their budget bill – SB 129 on June 28th after many negotiations with the administration. There still isn't a complete agreement on every aspect of the budget so there will continue to be a number of trailer bills that will be worked on through September. The Governor does 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.