

To: City of Cupertino
Legislative Review Committee

From: Townsend Public Affairs, Inc.
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Subject: Legislative Update

State Legislative Update

In February, Governor Newsom continued to hold regularly scheduled press events to highlight the state's work on distributing COVID-19 vaccines. The Governor has traveled to various parts of the state visiting vaccine sites and encouraging eligible Californians to receive their vaccine. The state has partnered with the Federal Emergency Management Agency (FEMA) to operate and staff several large community vaccination centers. The state has also set up a website titled "My Turn" where members of the public can check their eligibility, sign up for notifications, and schedule appointments.

Last month, state lawmakers were primarily focused on introducing new bills prior to the February 19th bill introduction deadline. Since the beginning of the 2021 legislative session, nearly 2,400 bills have been introduced, including nearly 1,600 Assembly Bills and just over 800 Senate Bills. In order to comply with the Legislature's newly adopted COVID-19 rules, most bills that would typically be referred to multiple committees have been limited to one policy committee referral. The overall number of committee hearings will also be limited while each chamber has implemented strict cleaning and social distancing measures, which will reduce the number of rooms that can facilitate committee hearings.

In addition to working on new legislation, the Legislature began to hold Budget Subcommittee hearings to begin evaluating the various components of Governor Newsom's January Budget Proposal. The initial hearings that are being conducted by the Assembly and Senate Budget Subcommittees serve primarily to receive background and proposal information from the Department of Finance, impacted State Departments, the Legislative Analyst Office (LAO), and various stakeholders.

State Economic Stimulus Package

On February 23rd, the Governor signed several bills known as the State's Economic Stimulus Package, or Golden State Stimulus. The \$7.6 billion package was agreed upon by the Legislature's leadership and the Governor's Office. Highlights of the package are detailed below:

- **Direct Relief to Individuals and Families:** Provides \$600 in one-time relief to households receiving the California Earned Income Tax Credit (EITC) for 2020. Provides a \$600 one-



time payment to taxpayers with Individual Tax Identification Numbers (ITINs) who were precluded from receiving the \$1,200 per person federal payments issued last spring and the more recent \$600 federal payments. Provides \$600 payments to households with ITINs and income below \$75,000. Provides direct relief to additional lower-income Californians through a \$600 one-time grant to households enrolled in the CalWORKS program and recipients of SSI/SSP and Cash Assistance Program for Immigrants (CAPI). Combined, the package represents a total of \$5.7 million payments to low-income Californians.

- **Immediate Relief for Small Businesses:** Provides \$2.1 billion – a four-fold increase over the \$500 million currently being distributed – for grants up to \$25,000 for small businesses impacted by the pandemic and allocates \$50 million of this total for non-profit cultural institutions.
- **Fee Waivers for Heavily Impacted Licensees:** Two years of fee relief for roughly 59,000 restaurants and bars licensed through the state’s Department of Alcoholic Beverage Control that can range annually from \$455 to \$1,235. The action also reflects fee relief for more than 600,000 barbering and cosmetology individuals and businesses licensed through the Department of Consumer Affairs.
- **More Resources for Critical Child Care:** Addition of just over \$400 million in new federal funds to provide stipends of \$525 per enrolled child for all state-subsidized childcare and preschool providers.
- **Additional Aid for Individuals and Families:** Provides an additional \$24 million for financial assistance and services through Housing for the Harvest. Also provides \$35 million for food banks and diapers.
- **Emergency Financial Relief to Support Community College Students:** Provides an additional \$100 million in emergency financial aid for qualifying low-income students carrying six or more units. Also provides \$20 million to reengage students who have either left their community college studies because of the pandemic or to engage students at risk of leaving.
- **CalFresh Student Outreach and Application Assistance:** Provides roughly \$6 million to support outreach and application assistance to University of California, California State University and California Community College students made newly eligible for CalFresh. Also provides \$12 million in state funds to support associated county administrative workload.

Wildfire Prevention and Resilience Early Action Plan

As part of his January Budget Proposal, Governor Newsom proposed a \$1 billion Wildfire Prevention and Resilience Early Action Plan. The Governor’s plan proposed to fund activities in the current year, as well as in FY 2021-22, utilizing a combination of general fund resources, as well as proceeds from the State’s Greenhouse Gas Reduction Fund. The Governor’s proposal contains numerous funding proposals in the categories of Resilient Wildlands, Wildfire Fuel



Breaks, Community Hardening, Science-Based Management, and Forestry Sector Economic Stimulus.

On March 2nd, the Senate Budget Subcommittee put forth their own Wildfire Prevention and Resilience Early Action Plan. Overall, the Senate Subcommittee's proposal is smaller than the Governor's proposal; however, it proposes to fund the entire plan utilizing state General Fund resources. The Subcommittee's proposal totals \$566 million and is spread over the same funding categories as the Governor's January Budget proposal.

While the Senate Budget Subcommittee provided specific dollar amounts for each of the components of their wildfire funding package, they also noted that their proposal should serve as the basis for negotiations, but the dollar amounts included should not be considered a ceiling. The Subcommittee indicated that their goal is to reach an agreement with the Governor, as well as the Assembly, that provides meaningful resources to improve the state's ability to mitigate the impacts of wildfires through FY 2021-22 and beyond.

The Assembly Budget Subcommittee has not released a wildfire proposal yet; however, they are working on developing a proposal. It is expected to contain funding proposals in the same broad categories as the Senate and the Administration. Once the Assembly plan has been released, the three parties will work to reach an agreement, potentially in advance of the adoption of the full FY 2021-22 state budget in June.

COVID-19 Vaccines

The state continues to take an active role in the roll-out of COVID-19 vaccines. In addition to the COVID-19 website that provides case rates, re-opening guidelines, and regional information, the State has set up an additional website (myturn.ca.gov) to assist individuals with COVID-19 eligibility.

California is allocating vaccines as they become available to encourage equitable distribution and prioritization of certain individuals. As of now, only a portion of the state's population is eligible for the vaccine with the remainder of the state's population expected to be eligible later this Spring, depending on supply. Phase 1A (approximately 3 million individuals) are now eligible – this includes healthcare workers and long-term care residents. Phase 1B (approximately 12 million individuals) is also being rolled out as supplies allow – this phase includes those 65 and older, agriculture, education, and emergency service workers.

To date, approximately 8.2 million vaccines have been administered. Starting on March 1, the state will dedicate 10 percent (or approximately 75,000) of its vaccine supply to K-12 school staff and childcare workers. As of February 26, there has been approximately 3.4 million cases, 51,000 deaths, and 48 million tests.

Below are the upcoming relevant dates for the Legislature:

February 19th – Last day for bills to be introduced

April 30th – Last day for policy committees to pass fiscal bills

May 7th – Last day for policy committees to pass non-fiscal bills

May 21st – Last day for fiscal committees to pass bills



June 4th – Last day for bills to pass their House of Origin

Priority Legislation

The legislative deadline to introduce new bills passed on February 19th. The Legislature introduced just under 2,400 bills for consideration this year. All newly introduced bills must wait a minimum of 30 days before they can be considered by the Assembly or Senate; however, it is likely that most policy committees will conduct their bill hearings in late-March through the end of April.

Below are bills that have been introduced that may be of interest to the City:

AB 59 (Gabriel) – Mitigation Fee Act: notices and timelines

This bill would make changes to the notices and timelines associated with the Mitigation Fee Act. Existing law requires a local agency, before levying or increasing a fee or service charge, to hold at least one open and public meeting and requires that notice of the time and place of the meeting be mailed at least 14 days prior to the meeting to any interested party who files a written request with the local agency for mailed notice of the meeting on new or increased fees or service charges. This bill would increase the mailing noticing period to at least 45 days before the meeting, as well as require that information be made available to the public at least 30 days before the meeting. The bill would require a local agency to additionally make available to the public all of the data demonstrating the requisite relationship between the amount of a fee for public facilities and the need for the public facilities. **AB 59 has been referred to the Assembly Local Government Committee and the Assembly Housing and Community Development Committee. It has not yet been set for a hearing.**

AB 115 (Bloom) – Commercial zoning: housing development

This bill would require that a housing development be an authorized use on a site designated in any local agency's zoning code or maps for commercial uses, notwithstanding any inconsistent provision of a city's or county's general plan, specific plan, zoning ordinance, or regulation, would if certain conditions apply. Among these conditions, the bill would require that the housing development be subject to a recorded deed restriction requiring that at least 20% of the units have an affordable housing cost or affordable rent for lower income households and located on a site that satisfies specified criteria. **AB 115 has been referred to the Assembly Housing and Community Development Committee and the Assembly Local Government Committee. It has not yet been set for a hearing.**

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

Current law requires all meetings, as defined, of a house of the Legislature or a committee thereof to be open and public, and requires all persons to be permitted to attend the meetings. This bill would require all meetings, including gatherings using teleconference technology, to include an opportunity for all persons to attend via a call-in option or an internet-based service option that provides closed captioning services and requires both a call-in and an internet-based service option to be provided to the public. **AB 339 was introduced on January 28th. The measure has not yet been referred to policy committee.**



SB 37 (Cortese) – Contaminated sites: Hazardous Waste Site Cleanup and Safety Act

Current law requires the State Department of Health Care Services to compile a list of all public drinking water wells that contain detectable levels of organic contaminants and that are subject to water analysis by local health officers. Current law also requires the State Water Resources Control Board to compile a list of specified information, including, but not limited to, all cease-and-desist orders and cleanup and abatement orders issued under the Water Code that concern the discharge of wastes that are hazardous materials. Current law requires these agencies to update the information as appropriate, but at least annually, and to submit the information to the Secretary of Environmental Protection. Under current law, the Secretary for Environmental Protection is required to consolidate the information provided by these state agencies and distribute the information in a timely fashion to each city and county with sites on the lists and to any other person upon request. This bill would enact the Hazardous Waste Site Cleanup and Safety Act and would recodify the above-described provisions with certain revisions. Specifically, the bill clarifies that all types of exemptions, explicitly including “common sense” objections, cannot be granted to projects on Cortese List sites. **SB 37 was introduced on December 7th. The measure is currently awaiting referral to a policy committee.**

SB 780 (Cortese) – Local finance: public investment authorities

Current law establishes enhanced infrastructure financing districts to finance public capital facilities or other specified projects of communitywide significance. Current law provides for the membership of the governing body of the district, referred to as the public financing authority. If a district has only one participating affected taxing entity, existing law requires the public financing authority’s membership to consist of 3 members of the legislative body and 2 members of the public chosen by the legislative body. This bill would authorize the legislative bodies to appoint designees to the public financing authority in their stead. If a district has more than 3 participating affected taxing entities, the bill would authorize the legislative bodies of the taxing entities to, upon agreement, appoint only one member of their respective legislative bodies, or their designees, in addition to the public members. **SB 780 has been referred to the Senate Governance and Finance Committee and the Senate Housing Committee. The measure has not yet been set for a hearing.**

