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MEMORANDUM

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**To:** East Contra Costa Fire Protection District  
**From:** Townsend Public Affairs  
**Date:** August 7, 2020  
**Subject:** Legislative Report for ECCFPD — July 2020

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**State Legislative Update**

In July, the Governor continued his regular press briefings to update the State on the latest information regarding COVID-19. Among other things, Governor Newsom took action to reduce indoor operations for certain sectors, announced a major purchase of personal protective equipment (PPE), and outlined a pandemic plan for the 2020-21 school year.

The Legislature is entering the final month of the 2020 legislative session. The last day of session is August 31 when members will return to their districts in preparation of the November election. Following adjournment on August 31, Governor Newsom will have 30 day to sign or veto legislation. The Legislature was originally scheduled to return to the Capitol on July 13, however several members and staff tested positive for COVID-19, postponing their return until August 27. Assemblymember Autumn Burke (D-Inglewood) announced that she tested positive for COVID-19 and Assemblymember Tom Lackey (R-Palmdale) had also tested positive and was hospitalized after contracting the virus.

Since members have returned to the Capitol, there have been discussions regarding the remaining 740 bills that are still active in both houses. Members were told to reduce their bill packages to allow for priority legislation to be considered under the new timeline. Assembly Speaker Rendon also announced the delay of all Assembly hearings on July 29 due to the imbalance of bills yet to be considered in both houses. Assembly and Senate Leaders are discussing the possibility of a special legislative session with the Administration; however, any decisions will likely depend on the growing number of COVID-19 cases throughout the state.

Below are the upcoming deadlines for the Legislature:

**August 15** – Last day for policy committees to meet and report bills  
**August 21** – Last day for fiscal committees to meet and report bills  
**August 24-31** – Senate floor session  
**August 26** – Last day to amend bills on the floor (Senate)  
**August 31** – Last day for each house to pass bills  
**September 30** – Last day for the Governor to sign or veto legislation

## Governor's COVID-19 Action Summary

Below is a summary of the major COVID-19 actions taken by the State Administration in July:

- **July 17 – School Re-Opening:** Governor Newsom announced his plan for learning and safe schools ahead of the 2020–2021 school year, as the California Department of Public Health issued a framework for when and how schools should reopen for in-person instruction.
- **July 16 – Project Roomkey/Homekey:** Governor Newsom announced the availability of \$600 million in funding for Homekey, the next phase in the state's response protecting Californians experiencing homelessness who are at high risk for serious illness from COVID-19.
- **July 2 – Mask Campaign:** The state launched "Wear A Mask" public awareness campaign encouraging Californians to use face coverings. The Administration has stated that this is one of the best ways people can protect themselves and others from the virus.
- **July 1 – Stay at Home Order:** Governor Newsom announced that certain sectors are being ordered to close indoor operations, due to the increased likelihood of spread and the ability to mitigate that spread. These closures are to go into effect immediately in the 19 counties that are on the County Monitoring List.

## Legislature Announces State Economic Stimulus Package

On July 27, key members of the Legislature introduced the outline of a \$100 billion economic stimulus plan. The plan will prioritize economic recovery efforts to build on the Legislature's work on the State Budget. The Assembly and Senate have appointed economic recovery working groups led by Senators Bob Hertzberg (D-Van Nuys) and Steven Bradford (D-Gardena), and Assemblymembers Phil Ting (D-San Francisco) and Jacqui Irwin (D-Thousand Oaks). The stimulus plan aims to raise \$100 billion through a new tax voucher program and the acceleration of existing revenue streams. The plan includes the following relevant provisions:

### *State Revenues*

- Authorize State Treasurer to issue future tax vouchers to generate billions of revenues for general economic stimulus efforts.
- Securitization of current revenue streams, including:
  - Accelerate SB 1 transportation funds to create jobs and improve key roads and highways.
  - Accelerate existing California Public Utilities Commission (CPUC) revenue streams that will expand broadband services throughout the state to benefit distance learning and other activities.
  - Accelerate future Cap and Trade funds to backfill lost revenues due to the downturn and ensure critical programs remain funded.
- Accelerate authorized, but unused, general obligation bonds to generate bond funds to infrastructure projects.
- Borrow from the federal government to bolster state unemployment insurance programs.

### *Small Businesses*

- Expand small business tax breaks, such as extending the sales tax loan program.
- Streamline the Work Sharing program administered by EDD.
- Incentivize on-shore manufacturing of PPE, ventilators, swabs and other products critical to the COVID-19 response, including expansion of workforce retraining programs.

### *Protections for Individuals; Housing and Homelessness Funding*

- Fill gaps in Unemployment Insurance, including extending to undocumented workers, shortfalls resulting from if the federal government does not extend the \$600 per week payment
- Increase affordable housing supply by helping homeowners access financing to build ADUs.
- Protect renters from eviction and support struggling homeowners and landlords.
- Augment Budget Act appropriations for local governments to combat homelessness and provide incentives for local governments to build housing on non-traditional sites.

### *Environment Funding*

- Invest in wildfire prevention and vegetation management activities.
- Improve clean water delivery and recycling infrastructure.
- Create a dedicated fund to incentivize light and heavy-duty, including passenger clean vehicles, as well as expedite and expand electric vehicle charging infrastructure projects.
- Streamline the CEQA through targeted, and limited, use of the AB 900 process – including for housing – to ensure environmental leadership projects get built.

The Legislature is currently seeking input from the Newsom Administration on the economic plan.

### Priority Legislation

While both the Assembly and Senate Leadership have asked members to reduce the number of bills to be considered for the remainder of this year. Below is a summary of the relevant legislation that passed and continues to move through the legislative process:

- Senate Bill 1004 (Allen) sponsored by CPF, this bill to phase out the sale of firefighting foam using PFAS passed the Assembly Environmental Safety and Toxic Material Committee. Amendments are being negotiated prior to the Assembly Committee on Appropriations to address concerns from Western State's Petroleum Association.
- Senate Bill 1159 (Hill) would extend the Governor's Executive Order N-62-20, which established a rebuttable presumption that COVID-19 illness is an occupational injury and thereby covered by workers' compensation for employees working outside their homes at the direction of their employer. The bill moved out of the Senate and has been sent to the Assembly Insurance Committee.
- Senate Bill 1199 (McGuire) would establish a Commission on Home Hardening to develop a three-tiered certification system of fire prevention levels for structures in Wildland-Urban Interface environment. The bill passed the Senate and has been sent to the Assembly Governmental Organizations Committee.
- Assembly Constitutional Amendment No. 11 (Mullin) (Chapter 31, Statutes of 2020) was chaptered and places on the November 2020 Ballot the Home Protection for Seniors,

Severely Disabled Families Wildfire and Natural Disasters Act which, if approved by the voters, would allow certain property tax base year value transfers for replacement properties and establishes the Fire Response Fund to provide for fire suppression staffing funding for the purposes of reimbursing local agencies that incur a net revenue loss related to the property tax transfer provisions. ACA 11 is sponsored by the California Realtors Association and replaces a harsher alternative Initiative, which had sufficient signatures to qualify it for placement on the Ballot. This ACA has been designated Proposition 19 on the November ballot.

## **Federal Legislative Update**

July was dominated by discussions and disagreements over the next coronavirus relief package, as cases continue to rise dramatically nationwide and the U.S. economic situation worsens. Congress made progress on the next coronavirus related package, but is still not close to a negotiated deal, as many provisions, including federal supplements for unemployment insurance, expired on July 31.

### **Coronavirus Aid Packages**

In July, Senate Republicans introduced their long-awaited proposal for a Phase 4 of coronavirus aid, called the “HEALS Act.” This legislation has not been negotiated with Democrats and is a response to the House Democrats’ “HEROES Act,” a relief package full of Democrats’ priorities that the House introduced and passed in May.

The “HEALS Act” contains provisions including the following:

- Free up eligible uses for existing Coronavirus Relief Fund money to cover revenue loss (though no additional state and local funding in this area)
- Add an additional round of stimulus payments, using the same formula as in the CARES Act
- Reduce weekly unemployment benefits for two months while states convert to a system to pay 70% of a person’s last wages
- Implement liability protections for nearly all organizations and employers
- Implement new business tax breaks
- Extend the Paycheck Protection Program, add the ability to apply again, and create new small business loan programs
- Overhaul the student loan system and provides new education funding, much of which is dependent on reopening for in-person instruction
- Appropriate additional health care and vaccine funds
- Appropriate additional emergency funding for some line items, including rental assistance, fire departments, child care, the census, airports

With the introduction of the “HEALS Act,” bipartisan negotiations were expected to begin in earnest; however, by the end of July, Congressional leaders from both parties and Administration officials acknowledged that the two sides remain far apart, and negotiations on the next relief package continue.

In a major pivot from stalled Phase 4 talks, Republican senators introduced several standalone bills based on the GOP Phase 4 proposal to extend specific expiring or lapsed provisions. Senators Bill Cassidy (R-LA), Steve Daines (R-MT), Mitt Romney (R-UT) and Marco Rubio (R-

FL) introduced legislation that would provide \$1,000 in direct payments to all Americans with a Social Security number, subject to income limits. The bill by would provide a family of four with \$4,000. Senators Mitt Romney (R-UT), Susan Collins (R-ME) and Martha McSally (R-AZ) introduced legislation to permit states to choose one of two options for federal unemployment insurance benefits: an immediate 80 percent wage replacement, or a declining amount of \$500 per week in August, \$400 per week in September, or \$300 per week in October. So far, Democrats have not been inclined to support stopgap extensions, preferring to continue to negotiate a Phase 4 agreement.

## Census

In July, President Trump just signed an Apportionment Memorandum to exclude undocumented immigrants from census population counts.

As you may recall, in June 2019, the Supreme Court blocked an effort to include a question on citizenship in the census, ruling it a violation of the constitution's enumeration clause, which mandates Congressional representation, but sent it back to a district court for further deliberation. The Administration ended its effort to pursue the citizenship question through the courts last July due to printing deadlines, but President Trump vowed to find work-arounds.

The 14<sup>th</sup> Amendment states that the Census must count the "whole number of persons in each state" for Congressional representation, which includes undocumented immigrants.

The order cites estimates that "one state" (apparently referring to California) has more than 2.2 million illegal immigrants, six percent of its population. It argues that, as a result, including illegal immigrants in the population for apportionment could result in the allocation of two or three more congressional seats than if they were not included.

## WRDA

On July 29, the House of Representatives passed H.R. 7575, the "Water Resources Development Act of 2020." The process was speedy: WRDA 2020 was quickly introduced and passed by the House Transportation & Infrastructure Committee Chairman DeFazio (D-OR) on July 15, who introduced the bill just two days earlier. The bill authorizes the U.S. Army Corps of Engineers to start several navigation, flood control, storm damage, and other water-related infrastructure projects.

The modified version included an additional project modification authorization and language regarding the bill's budgetary effects:

- **Project Authorizations:** The measure would authorize funding for construction of 34 projects nationwide, including \$1.22 billion, with a federal share of \$314.5 million, for flood risk management in Westminster and East Garden Grove, CA.
- **Feasibility Studies:** Under Section 7001 of the Water Resources Reform and Development Act of 2014, the Secretary of the Army would be allowed to conduct a feasibility study on the impacts of projects reducing coastal storm damage for nearly all of Southern California.
- **Harbor Maintenance Trust Fund (HMTF):** The bill also would adjust the treatment of \$10 billion in spending from the Harbor Maintenance Trust Fund. Under the CARES Act (Public

Law 116-136), those amounts won't count against future annual discretionary spending caps. Under WRDA 2020, only amounts Congress appropriates into certain accounts and designates as being for harbor operations and maintenance activities would be cap exempt. The bill also would increase the share of inland water infrastructure project costs from 50% from the general Treasury fund to 65%, while the remaining 35% would be funded by the Inland Waterways Trust Fund, which is based on fees levied on barge operators.

- **PFAS:** The Corps of Engineers would have to compile an inventory of its facilities that are or could become contaminated by per- and polyfluoroalkyl substances (PFAS), often called "forever chemicals." It would include the nature and extent of any existing and potential contamination, pathways for human exposure, response measures taken, the entities responsible for any contamination, and the costs to remediate and reduce the risk of human exposure.
- **Flood Control Pumps:** The bill would authorize \$60 million for rehabilitation of flood control pump stations necessary for the function of flood risk management projects. Funds could be used to upgrade the design, capacity, and reliability of the stations
- **Repetitive Flooding:** The bill would authorize the Corps to conduct a program to study, design, and construct new flood control works, modify existing works, and incorporate natural and nature-based features to control flooding in areas that have received emergency flood-fighting assistance from the Corps related to multiple flooding events over a ten-year period. Separate authorization wouldn't be required under the program for projects with a federal share of \$15 million or less.

The bill passed under "Suspension of the Rules," which allows the House to quickly move noncontroversial legislation. Under Suspension, floor amendments are prohibited and a two-thirds vote is required for final passage.

The White House issued a statement saying the bill could be improved, citing the HMTF section in the bill that would reduce users' share of the cost of inland water infrastructure projects via the Waterways Trust Fund. The White House indicated the share should remain at 50 percent instead of the increase to 65 percent.

The bill now moves to the Senate, who passed related legislation earlier this year. The Senate Environment and Public Works Committee approved its own 2020 WRDA legislation, called the "America's Water Infrastructure Act of 2020," by a vote of 21-0 on May 6. The Senate hasn't considered that measure however.

Current WRDA funding expires on September 30, so Congress must agree on a package to prevent any lapse in funding.