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TO: Jeremy Dennis, Portola Valley

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RE: End of Session Legislative Report

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General Legislative Update

Last month when the Legislature returned from the summer recess on August 1st, they had a month-long sprint until the end of session. The first two weeks of their return were focused on hearing all of the bills in the Senate and Assembly Appropriations Committees. All legislation with a state fiscal impact had to be considered during this time period. August 12th was the final day for bills to be heard in the Legislature's policy committee hearings. However, as usual, both houses held their suspense committee hearings on August 11 for their biannual financial culling. Known as the suspense file, these appropriation hearings allow lawmakers to review the financial costs of certain bills before they reach the Assembly or Senate floor for a vote. This year, approximately 800 bills were heard through this process.

After this deadline, the Legislature had two final weeks between August 15th-August 31st where they held nearly all-day floor sessions to take up the remaining bills for a final floor vote; no committees other than conference and Rules may meet for any purpose.

Given the 72-hour in-print rule established by the Constitution, bills cannot be amended in the final days of session. As such, the remaining budget trailer bills reflecting an agreement between the Legislature and Administration came out three days before the amendment deadline. These were mostly trailer bills with clean-up provisions on issues passed earlier in this year's budget, which was expected given the magnitude and volume of issues addressed in the summer budget. However, there were also some new funding items included related to drought and climate resiliency. More details on the budget trailer bills are included below. The 72-hour in-print rule also eliminates some of the last-minute controversial gut and amends that are usually customary during the end of session. There were a few high-profile items that were decided upon in the last few nights like the Governor's ambitious climate proposals and a bill that would extend the operation of PG&E's Diablo Canyon nuclear power plant - SB 846 (Dodd). August 31st at midnight was the last day for the State Legislature to pass bills for the 2021-22 Legislative Session. All bills that were passed by the Legislature are now on the Governor's desk for action, until September 30th to either veto or sign bills into law. There are approximately 900 bills awaiting on Governor Gavin Newsom's desk for action. Cruz Strategies staff will continue to monitor and advocate for priorities during the signing period, which ends on September 30, 2022.

The Legislature is now on recess and returns to their districts during the fall. The stakes are high this fall, as we enter into the November 8, General Election. All Assembly seats (80) and the (20) Senate seats are up for election or reelection in the newly established district boundaries in 2022. The current partisan breakdown is 31 democrats and 9 republicans in the Senate. The Assembly is made up of 60 democrats and 19 republicans. According to Secretary of State numbers voter turnout hit an extreme low at 16.0% as of June 8, 2022, see our previous [June 7th Primary Elections Memo](#) which outlines the election results by district. In addition, the Secretary of State recently released the [certified list](#) of candidates coming up on the



ballot. The last day to register to vote for the November 8, 2022, General Election is October 24, 2022.

Both the Senate and Assembly will return to the 2023 session on January 3rd.

There were a significant number of key appointments, a departure and changes to Governor Gavin Newsom's administration during the 2022-2023 legislative session. Most recently, Governor Newsom introduced former Los Angeles **Mayor Antonio Villaraigosa** as the Infrastructure Advisor to the State of California. Villaraigosa will be working with local, state and federal leaders to identify priority projects across all regions to leverage federal funding through the federal Infrastructure Investment and Jobs Act (IIJA).

Additionally, two key appointments within the climate/environmental arena were announced this month. The Governor [announced](#) **Amelia Yana Garcia Gonzalez** as the new Environmental Protection Secretary to replace Jared Blumenfeld in September and the chair of the CA Air Resources Board (CARB) [announced](#) **Dr. Steven** Cliff as CARB's new Executive Officer.

In the transportation area, there were two new appointments. **Toks Omishakin** was [appointed](#) Secretary of the California State Transportation Agency by Governor Newsom back in February. He previously served as Director of the California Department of Transportation (Caltrans) since 2019. Omishakin is an expert in the transportation industry with almost two decades of experience. Omishakin's vacancy at Caltrans was filled by the [appointment of Tony Tavares](#). In June, Tavares was sworn in as the 34th Director of the California Department of Transportation (Caltrans). Tavares manages a nearly \$20 billion budget and more than 22,000 employees who oversee California's critical transportation issues.

In July, Governor Gavin Newsom announced the departure of his Cabinet Secretary **Ana Matasantos**. For more than 15 years she has been an indispensable insider in Sacramento, depended on by politicians, parties, and agencies of all varieties for her expertise in the incomprehensible algorithms of state finance and systems. Matasantos has now been [appointed to the State Personnel Board](#) and the [University of California Board of Regents](#).

New legislative changes include the California Latino Legislative Caucus elected Assemblymember Sabrina Cervantes and Senator Lena Gonzalez as the next Caucus Chair and Vice Chair. Assemblymember Cervantes is the first openly LGBTQ+, the first Latina millennial, and the first Inland Empire representative elected as Chair of the Caucus. In addition the 39-member California Legislative Women's Caucus announced they have elected Senator, and current Vice Chair, Nancy Skinner as the new chair of the caucus, succeeding Assemblymember Cristina Garcia, and Assemblymember Cecilia Aguiar-Curry as vice chair.

State Budget Update

In early August, the Legislative Analyst's Office (LAO) released its [Overview of the 2022-23 Spending Plan](#), a preliminary overview of the state's recently approved budget. The report provides information as to how



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the state allocated [insert topline], as well as changes to ensure that the state remained below its State Appropriations Limit.

In addition, the LAO released a short [update](#) to their 22-23 revenue outlook, which suggests the state's "big three" taxes - personal income, sales, and corporation taxes - are more likely than not to fall below the Budget Act assumption of \$210 billion. The LAO stresses that "significant uncertainty" remains. The state could ultimately end up collecting anywhere from \$25 billion less than anticipated to as much as \$15 billion more — likely ending up about \$5 billion below projections.

The Legislature passed a final budget package on June 29, 2022, this included the official 2022-2023 Budget Act in SB 154 (Skinner), AB 178 (Ting) which amended the Budget Act of 2022-2023, and AB 180 (Ting) which amended the Budget Act of 2021-2022. However, there were 27 additional trailer bills on a variety of subjects that were enacted into law on or before July 1, 2022, these trailer bills included issues like education, public safety, transportation, health and human services, housing and homelessness. Some additional budget trailer bills needed to be worked on over the summer recess, most significantly, the anticipation of the climate-energy trailer bill that was not included in the first batch of trailer bills. In late August, there were 13 new trailer bills and one new expenditure bill, known as the budget bill jr. The August trailer bills included clean-up provisions from some of the earlier budget items and also some new funding provisions, particularly related to energy and climate resiliency, public resources and various omnibus bills. Here are a few of the specific items of importance included in the budget trailer bills, but a full breakdown of the climate and resources funding is included here:

AB 179 (Ting) Budget Bill Jr.: The final budget bill jr., includes various technical adjustments to encumbrance periods, reversions, and reappropriations in various items in the 2022 Budget Act. Such as specification that \$75 million provided in the budget to the Office of Business and Economic Development is for Small Business Drought Relief Grants, however, if federal funds become available for this purpose, funds would be transferred to the General Fund or revert to the California Emergency Relief Fund.

AB 211 Public Resources Trailer Bill: This bill contains provisions necessary to implement the 2022 Budget Act. These provisions include establishing the Community Resilience Center Program, which is to be administered by the Strategic Growth Council, in coordination with the Office of Planning and Research. Allocates funding to various programs in the Budget Act of 2021 related to natural resources. This bill also allocates funding to various programs in the Budget Act of 2021 related to natural resources.

SB 140 Personal Income Tax Law: Corporation Tax Law: exclusions from income: Paycheck Protection Program: This trailer bill contains changes necessary to implement the 2022 Budget Act relating to taxpayer relief. The Personal Income Tax Law and the Corporation Tax Law allow a small business hiring credit to a qualified small business employer, as defined, calculated based on net increase in qualified employees, as defined, over a specified period of time.



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AB 209 Energy and Climate Change Trailer Bill: Establishes various programs like the Hydrogen Program at the CEC to provide financial incentives to eligible in-state hydrogen projects and the Equitable Building Decarbonization program at the CEC that includes a direct installation program and a statewide incentive program for low carbon building technologies. This bill also establishes the Clean Energy Transmission Financing Account within the Climate Catalyst Revolving Loan Fund to support clean energy transmission projects.

AB 156 State Government Trailer Bill: Allows the Department of Financial Protections and Innovations to issue a conditional license to debt collectors until Jan 1, 2023. It extends the sunset date of the precision medicine program June 30 2029. Authorizes the Court Reporters Board of CA to issue shorthand reporting certificates for voice writers and clarifies that goat herders subject to the same alternative minimum wage as the shepherders. Lastly, it allocates \$100 million for the CA HOPE Opportunity, Perseverance, and Empowerment trust account program.

AB 157 State Government Trailer bill: Establishes the CA Small Agriculture Business Drought Relief Program to be administered by GO-Biz in consultation with the Department of Food and Agriculture to assist small agricultural business that are severely affected by drought. It expands the infill infrastructure grant program of 2019 to provide funding to local jurisdictions for large scale and infill development and adaptive use.

AB 204 Health Trailer Bill: Establishes the Workforce Stabilization Retention Payment Program by offering retention payments for clinic workers and eliminates copayments for Medi-Cal patients. The bill also clarifies that for practical support to access, abortion care services, financial or in-kind assistance is allowed in the program.

AB 207 Human Services: States legislative intent for the Department of Social Services (DSS) to implement a full passthrough of child support payments collected to families currently receiving CalWORKs benefits by January 1, 2025. Establishes, the Excellence in Family Finding, Engagement, and Support Program, administered by the DSS to conduct specialized permanency work with a focus on establishing and maintaining permanent connections for foster children

Cruz Strategies staff will continue to monitor established and extended state grant programs budgeted in the 2022-2023 state budget to keep track of details like eligibility and timeline for the release of applications.



Other Legislative Items

Brown Act Legislation

This year, there were a number of proposals introduced to make changes to the Brown Act, which addresses the rules governing public participation and attendance at meetings of local legislative bodies. There were three bills on this subject that ultimately passed the Legislature. SB 1100 by Senator Cortese has already been signed into law, but no action has been taken by the Governor yet on the other two bills (AB 2449 and AB 2647). Linked [here](#) is a more detailed memo that we previously provided that further outlines the impact of these bills, but for convenience, we have provided a shorten summary here too:

SB 1100 (Cortese) Open Meetings: Orderly Conduct: SB 1100 in certain circumstances permits the presiding member of a Brown Act legislative body, or their designee to remove or cause the removal of, an individual for disrupting the meeting. For purposes of this section “disrupting” is defined as: engaging in behavior during a meeting of a legislative body that actually disrupts, disturbs, impedes, or renders infeasible the orderly conduct of the meeting and includes, but is not limited to, one of the following:

- (A) A failure to comply with reasonable and lawful regulations adopted by a legislative body pursuant to Section 54954.3 or any other law.
- (B) Engaging in behavior that constitutes use of force or a true threat of force.

AB 2449 (Rubio) Open Meetings: Local Agencies: Teleconferences: AB 2449 provides that until January 1, 2026, under certain circumstances (just cause, as defined or emergency circumstances, as defined) and on a limited basis, a non-majority amount of members of a Brown Act body may utilize virtual teleconferencing without publicly noticing their location and making that location accessible to the public.

AB 2647 (Levine) Local Government: Open Meetings: AB 2647 allows writings that have been distributed to members of a legislative body of a local agency less than 72 hours before an open, regular meeting to be exempt from specified requirements of the Brown Act if the agency meets certain requirements.

Housing and Homelessness

As previously reported, the budget provided an additional \$2 billion over the next two years in aid to counties, large cities and Continuums of Care through the Homeless Housing, Assistance and Prevention grant program (HHAP). HHAP is a source of funds for cities, counties, and continuums of care to create comprehensive plans to address their homelessness challenges in ways that best meet local needs.

AB 2011 (Wicks) and SB 6 (Caballero) were the two high-profile housing bills of the legislative session. After months of negotiations between the Carpenters and State Building Trades a deal was made with both



bills advancing to the Governor's Desk. These two bills would:

AB 2011 (Wicks) Affordable Housing and High Road Jobs Act of 2022: The bill makes affordable housing, and specified mixed-use housing, by right on commercially zoned lands if projects meet strict affordability, labor and environmental criteria. The growing housing crisis in this state needs to be urgently addressed with a combination of solutions and innovative policies to expedite the building process.

SB 6 (Caballero) The Middle-Class Housing Act of 2022: The bill requires that housing development proposals continue to abide by local parking, design, and other ordinances, and recognizes local inclusionary requirements. Further, SB 6 recognizes the need to provide a pathway for projects to move forward when the state's skilled and trained workforce requirements for contractors and subcontractors prove to be difficult to meet.

Please see below for a summary of other key housing legislation that was acted on at the end of session:

AB 2234 (Rivas) Planning and zoning: housing: post entitlement phase permits: The bill would impose short plan review timelines for large multi-unit housing developments and mandates local governments to offer a costly electronic permit submission system, but provides no state funding to support this mandate

SB 897 (Wieckowski) Accessory dwelling units: junior accessory dwelling units: The bill would make numerous changes to the laws governing accessory dwelling units (ADUs) and junior accessory dwelling units (JADUs) in ways that are unclear and difficult to interpret for counties.

AB 2221 (Quirk-Silva): This bill would accelerate Accessory Dwelling Units (ADUs, aka granny flats or casitas) development by clarifying ambiguities in existing law and removing arbitrary barriers that some cities have imposed on ADU development.

SB 886 (Wiener): SB 886 will help universities build student housing faster and at lower cost by streamlining the environmental review process for housing on university-owned land that is neither at risk of fire, nor in a sensitive habitat.

AB 2873 (Jones-Sawyer): This bill will advance diversity, equity, and inclusion by requiring developers that receive state affordable housing dollars to report if the firms they contract with are owned and operated by people of color, women, or LGBTQ+ people.

AB 2053 (Lee): AB 2053 would establish a new, statewide social housing program that would fund, build, and manage affordable housing for both rent and homeownership.

CARE Court

Earlier this year, Governor Newsom announced his proposal to create a state CARE Court program, which



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is a proposed framework to deliver mental health and substance use disorder services to the most severely impaired Californians who often suffer from homelessness or incarceration. The goal of this program is to connect a person in crisis with a court-ordered Care Plan for up to 12 months, with the possibility to extend for an additional 12 months. After introducing the idea, the Administration then sought a legislative vehicle to implement this proposal. After many months of difficult negotiations with the Administration and Legislature on this very issue, the two bills to implement the program (SB 1338 and AB 179) ultimately passed the Legislature and are now before the Governor for signature. Throughout the legislative process, individual local government agencies, along with the associations, have advocated for amendments to make the proposal workable, to provide the necessary resources and funding to counties to make this successful, and to help protect counties from potential liabilities associated with taking on this new responsibility. As a recap, the initial proposal (announced on March 3) required these new civil courts to be implemented with no state funding by July 1, 2023. However, local government advocates were able to secure the following improvements:

- Phased-in implementation: [SB 1338](#) now designates a first cohort of seven counties (Glenn, Orange, Riverside, San Diego, Stanislaus, Tuolumne and the City and County of San Francisco) to implement by October 1, 2023, with the remaining counties slated to implement by December 1, 2024.
- Start-Up Funding: [AB 179](#) now includes \$57 million in new state funding to address start-up costs. This includes \$26 million for the initial cohort of counties and \$31 million for all counties to plan and prepare for implementation.
- Ongoing Funding: [SB 1338](#) includes a statutory commitment that the CARE Act will become operative only upon consultation with county stakeholders, and developing a CARE Act allocation to provide state financial assistance to counties to implement the CARE Court process. We anticipate this process will be developed this fall for inclusion in next year's budget.
- Structure:
 - lengthening the time for county behavioral health agencies to submit evaluations;
 - providing indemnity to counties for the actions of CARE Court respondents;
 - engaging the presiding judge of a superior court on possible sanctions;
 - ensuring that any fines paid as a result of sanctions are invested back into the sanctioned county for improvement of services, and
 - requiring health care services plans to reimburse counties for member evaluation costs.



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Transportation

As previously reported, the 2022-2023 budget includes \$4.2 billion High-Speed Passenger Train Bond Fund (Proposition 1A) to complete high-speed rail construction in the Central Valley. There was also an allocation of \$1 billion General Fund for Active Transportation Program projects that encourage the increased use of active modes of transportation, such as walking and biking, and increase the safety and mobility of non-motorized users.

Climate-Energy

Two weeks before the end of session, Governor Newsom introduced five bold climate proposals and began to seek Senate and Assembly authors to champion his proposals before the session concluded for the year. The five climate "pillars" that the Governor touted included:

Codifying statewide carbon neutrality goal to dramatically reduce climate pollution. Establishes a clear, legally binding, and achievable goal for California to achieve statewide carbon neutrality as soon as possible, and no later than 2045.

Ramping up our 2030 climate ambition. Adopts a more aggressive 2030 greenhouse gas emissions reduction target - going from 40% to 55% below the 1990 level.

Protecting communities from the harmful impacts of the oil industry. Establishes a setback distance of 3,200 feet between any new oil well and homes, schools, or parks.

Ensures comprehensive pollution controls for existing oil wells within 3,200 feet of these facilities.

Establishing a pathway toward the state's clean energy future. Creates clean electricity targets of 90% by 2035 and 95% by 2040 with the intent of advancing the state's trajectory to the existing 100% clean electricity retail sales by 2045 goal.

Advancing natural and engineered technologies to remove carbon pollution. Establishes a clear regulatory framework for carbon removal and carbon capture, utilization and sequestration. Requires the state to develop an achievable carbon removal target for natural and working lands.

With numerous off the floor policy committee hearings late into the night on the final three days of session



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coupled with opposition from many of the state's business groups, four of the five proposals advanced through the Legislature (AB 2133 was the only measure that failed). Here is a summary of the legislative vehicles that ultimately captured the Governor's climate ambitions:

SB 905 (Caballero and Skinner) – This bill is tied together with AB 1279 (Muratsuchi). SB 905 establishes the Carbon Capture, Removal, Utilization, and Storage Program (CCRUS) at the California Air Resources Board. By establishing a framework for CCRUS, this bill anticipates future requirements needed to meet California's emission reduction goals. Specifically, this bill includes the following:

- Requires CCRUS projects to minimize air and water quality impacts in surrounding communities.
- Requires the ARB to adopt regulation for unified permit application by January 1, 2025.
- Requires the ARB to promulgate regulations for financial responsibility for CCRUS projects and develop a database to track projects.
- Prevents double-counting of emission reductions by counting captured carbon as a reduction in carbon dioxide.

SB 1137 (Gonzalez and Limon) – This bill establishes health protective zones for oil and gas well setbacks. A health protective zone is considered an area within a 3,200-foot radius from a residence, school, community resource center, health care facility, or business that is open to the public.

SB 1020 (Laird, Atkins, et. al) – This bill established new targets under existing law requiring California to have 100% clean, zero carbon, and renewable energy policy for California's electricity system by 2045. Specifically, among other things, this bill:

- Adds 90% by 2035 and 95% by 2040 goals.
- Requires all state agencies to purchase 100% zero carbon electricity for themselves by 2035, this is specifically important for the State Water Project, which uses electricity to pump water over mountain ranges to Southern California and allows an extra 5 years for (until 2040) to come into compliance.
- Allows the California Independent System Operator to have confidential information on power purchase agreements to assist with transmission planning, as they are the entity in charge of maintaining the stability of our electric grid.

AB 2133 (Quirk) – This bill would have accelerated California's greenhouse gas reduction target for 2030 from 40% below 1990 levels to 55% below reduction levels, but ultimately failed on the Floor.



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AB 1279 (Muratsuchi) – This bill codifies California’s carbon neutrality goals, but also requires a reduction of greenhouse gas emissions of 85% below 1990 levels by 2045. AB 1279 gives the California Air Resources Board the flexibility to chart a path on how to meet these goals, while ensuring accountability and transparency throughout the process, as well as an opportunity to correct course by reassessing the feasibility and tradeoffs of the 85% goal.

Diablo Canyon: On September 2nd, Governor Newsom signed [SB 846 \(Dodd\)](#) into law, providing a path forward to extend the operation of PG&E’s Diablo Canyon nuclear power plant for another five years past its 2025 scheduled retirement date. As an urgency bill, it took effect immediately upon the Governor’s signature. In signing the bill, the Governor [clarified](#) that the rate recovery component is applicable only to electricity a customer uses from the grid and *not* a customer’s self-consumption from rooftop solar. The Governor’s signing statement was issued in response to last minute concerns from the solar industry.

Public Safety

In May, Governor Gavin Newsom, called on Legislative leaders to expedite gun reform and safety laws that will protect people from gun violence. The initial package of bills the Governor called for signature included:

AB 2571 (Bauer-Kahan): Firearms: advertising to minors: This bill prohibits firearm industry members from marketing or advertising firearm-related products to minors and authorizes public attorneys and injured plaintiffs to bring a civil action to enforce the prohibition, obtain injunctive relief, and seek either civil penalties, or, in some cases, damages for harms caused by a violation.

AB 1621 (Gipson) Firearms: unserialized firearms: This bill revises several definitions relating to firearm precursor parts and unserialized firearms and establishes various restrictions on the possession, sale, transfer, import, manufacture and assembly of serialized and unserialized firearms, and firearm precursor parts, subject to exceptions. Additionally, this bill repeals several provisions of law related to firearm precursor parts that are set to go into effect July 1, 2022.

SB 1327 (Hertzberg and Portantino): Firearms: private rights of action: This bill establishes a privately-enforced civil cause of action against any person who manufactures or causes to be manufactured, distributes, transports, or imports into the state, or causes to be distributed or transported or imported into the state, keeps for sale or offers or exposes for sale, or gives or lends certain firearms, including firearm precursor parts and assault weapons.

AB 1594 (Ting): Firearms: civil suits: This bill establishes the “firearm industry standard of conduct,” which places a series of requirements on industry members and prohibits specified practices.

Other important public safety bills include:



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AB 1608 (Gipson): County Officers: Consolidation of Offices: AB 1608 would have removed counties' ability to consolidate the offices of sheriff and coroner and would have required the offices of sheriff and coroner that were consolidated before January 1, 2023, to be separated. This presented many logistical, financial, and personnel related concerns for the impacted counties, given the current shortage of medical examiners, particularly in rural areas of the state. For the counties that already have separate offices, this bill (and potential amendments from the California State Sheriff's Association) could have created an increased workload that was not associated with any guaranteed funding. Assemblymember Gipson brought the bill up for a vote at the very end of session, but he was not able to secure enough votes to move the measure off the Senate Floor.

AB 759 (McCarty): Elections: County Officers: This bill would change the election cycle for District Attorney and Sheriff races to be synced with the presidential election cycle, instead of gubernatorial election years, beginning with the 2028 presidential primary election. The author and sponsors claim that there is greater voter turnout during these election cycles, hence making the process more democratic. The original version of the bill also included County Assessors, but it was later amended to remove the bill from applying to that office. The District Attorney Association and the California State Sheriff's Association were both opposed to the measure. AB 759 passed the Legislature and is now before the Governor for consideration.

SB 262 (Hertzberg): Bail: SB 262 is the bail reform bill that became a two-year bill when Senator Hertzberg moved it to the inactive file at the end of 2021. The bill was revived again in the final days of this year's legislative session. Zero-bail was originally included in the initial version of the bill, but it was then amended to completely remove those provisions from the bill. It then proposed changes to court costs and how much surcharge a bail bondsman may retain in certain instances. SB 262 would have prohibited costs related to conditions of release from being imposed on someone being released on bail or on their own recognizance. The types of fees that could be prohibited include the costs of an ankle monitor, for example. The proposal would require the court to order the return of money or property paid to a bail bondsman by or on behalf of an arrestee to obtain bail under certain circumstances. Those include if the action or proceeding against the arrestee is dropped or if no charges were filed against the arrestee within 60 days of arrest. After a very heated debate in the final hours of session, SB 262 stalled on the Assembly Floor and didn't move forward.

Health and Human Services

AB 179 Budget Bill Jr includes several wins for health and human services. It includes \$70 million to implement a clinic workforce stabilization retention payment program to provide funds to eligible qualified clinics, including but not limited to federally qualified health centers (FQHCs) and rural health clinics (RHCs), to provide retention payments to clinic employees. AB 204, the Health omnibus trailer bill, specifies retention payments of up to \$1,000 per eligible clinic employee to support the public purposes of providing stability in the California qualified clinic workforce and retaining qualified health care workers. The retention payment program would only be implemented to the extent DHCS determines that federal financial participation under the Medi-Cal program is not jeopardized. The budget also includes \$150 million for family finding, engagement, and support to assist counties in identifying permanent connections for foster children and



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youth. The funding will be distributed through an allocation schedule and counties that elect to receive the funding will be required to provide a local match for 50% of the funding.

AB 240 (Rodriguez) Local Health Department Workforce Assessment: This measure requires the Department of Public Health to conduct an evaluation of the adequacy of local health department infrastructure and to make recommendations for future staffing, funding, workforce needs, and resources, in order to accurately and adequately fund local public health.

AB 988 (Bauer-Kahan) Mental health: 988 Suicide and Crisis Lifeline: This measure implements a statewide 9-8-8 suicide prevention and mental health crisis hotline as required by federal law. As recently amended, the bill requires the California Health and Human Services Agency to convene a state 988 advisory group consisting of various participants, including county representatives, to advise the Agency on a set of recommendations to support a five-year implementation plan for a comprehensive 988 system. Recent amendments also require health plans and insurers to cover medically necessary treatment, as specified, provided by call centers and mobile crisis teams. To support ongoing costs, the measure establishes a new surcharge initially set at \$0.08 per access line per month, and beginning January 1, 2025, at an amount specified by formula to be capped at \$0.30 per access line per month. AB 988 was approved by the Legislature and moved to the Governor's desk for consideration.

SB 1302 (Portantino) School-based Health Centers: Grant Program: Mental Health Services Act: This measure appropriates \$250 million from the Mental Health Services Fund to support school-based health centers through grants issued by the Superintendent of Public Instruction. Although the intent of establishing and improving the provision of behavioral health services to students at school-based health centers is meritorious, counties oppose any effort to redirect Mental Health Services Act (MHSA) funding to other services instead of the local services for which it was originally intended. The bill is now at the Governor's desk for his consideration.

SB 1342 (Bates) Aging multidisciplinary personnel teams: This bill would authorize counties and area agencies on aging to create aging multidisciplinary teams (MDTs) to allow for information sharing among entities providing services to older adults. Modeled off of the homelessness MDTs authorized by 2017 legislation, these aging services MDTs would improve service delivery, increase coordination, and support integrated case management. This bill is also awaiting at the Governor's desk for action.

SB 872 (Dodd) Pharmacies: Mobile Units: This measure authorizes a county or a city and county to operate a licensed mobile unit to provide prescription medication to individuals within the county's jurisdiction, subject to specified criteria. This bill was signed by Governor Newsom on August 29.

SB 928 (Wieckowski) Public Administrators: Compensation: This measure increases the minimum fee a county Public Administrator may charge for managing estates and making final arrangements for descendants without known or willing relatives. The minimum compensation threshold of \$1,000, which was set nearly 20 years ago, will increase to \$3,000 beginning on January 1, 2023. SB 928, while modest, will



help Public Administrators recover some costs, where appropriate, associated with managing the estates and probate process for descendants.

COVID-19 Update

AB 152 COVID-19 relief: supplemental paid sick leave

This bill makes necessary changes to implement COVID-19 relief provisions adopted as a part of the Budget Act of 2022

1. Additional Changes to the COVID-19 Supplemental Paid Sick Leave program. Makes two changes:
 - a. Extends the expiration date for the provisions of 2022 COVID-19 Supplemental Paid Sick Leave program contained in SB 114 from September 30, 2022 to December 31, 2022
 - b. Under existing law if an employee is receiving additional Supplemental Paid Sick Leave, then an employer may require the employee to submit to a second diagnostic test on or after the fifth day after the first positive test that entitled the employee to the additional Supplemental Paid Sick Leave and provide documentation of those results. This bill further authorizes the employer to require, if that second diagnostic test for COVID-19 is also positive, the employee to submit to a third diagnostic test within no less than 24 hours and requires the employer to provide the second and third diagnostic tests at no cost to the employee. Finally, the bill specifies that the employer has no obligation to provide additional COVID-19 supplemental paid sick leave for the employee who refuses to submit to these aforementioned tests.
2. California Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program. Establishes this program within CalOSBA to assist qualified small businesses and nonprofits, with between 26 to 49 employees, for incurring costs for COVID-19 supplemental paid sick leave AB 152 (Committee on Budget) pursuant to Sections 248.6 and 248.7 of the Labor Code, through administration of grants. Defines qualified small business or nonprofit and outlines eligibility guidelines for the Program. Authorizes the Department of Finance to increase the appropriation for the grants by up to \$70 million if General Fund savings are achieved due to increases in federal funds and authorizes the Department of Finance to transfer this sum from the General Fund to the California Emergency Relief Fund for this purpose. This authorization would increase the total appropriation for the program to up to \$320 million.

Public Health Crisis - Monkeypox

Governor Newsom proclaimed a state of emergency in response to the Monkeypox outbreak on August 1, 2022. The order helps coordinate a multi-agency government response and seek out additional vaccines to slow down the infections. Access to the antiviral prescription used to treat monkeypox has been severely limited. In addition, Senator Weiner led the submission of a letter signed by a group of legislators asking for



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approximately \$38 million in this year's budget for counties to address monkeypox. Following that, the state Senate formed a Select Committee on Monkeypox chaired by the senator. The committee held an oversight hearing on August 9 th to hear from the field on how the state can help improve its response to the ongoing outbreak. A memo with more detailed information from the August 9th hearing can be found [here](#).

Additionally, Budget Bill Jr. AB 179 provides a total of \$41.5 million of General Funds to the Department of Public Health for purposes related to the monkeypox state of emergency and includes provisional language authorizing the Department of Finance to request additional funding necessary for the State's response. Of this amount, \$15.75 million supports community response to monkeypox including \$1.5 million that shall be used for grants to community-based organizations to support the administration of monkeypox vaccinations.

Qualified 2022-2023 Ballot Measures

California voters will decide the fate of seven statewide propositions on November 8 at the general election. The propositions, like all state ballot measures, require approval by a simple majority of voters for passage. Unless otherwise specified, propositions approved by voters will take effect once the election results are certified in December. Included below are brief summaries of the propositions that have qualified, and a more detailed memo that includes registered support and opposition for measures can be found [here](#).

- **Proposition 1:** Provides a state constitutional right to reproductive freedom, including the right to an abortion and to choose or refuse contraceptives.
- **Proposition 26:** Legalized sports betting at American Indian gaming casinos and licensed race tracks in California. Imposes 10% tax on sports-wagering profits at horse-racing tracks; directs portion of revenues to enforcement and problem-gambling programs.
- **Proposition 27:** Legalizes mobile sports betting and dedicates revenues to the California Solutions to Homelessness and Mental Health Support Account and the Tribal Economic Development Account.
- **Proposition 28:** Provides additional funding for arts and music education in all K-12 public schools (including charter schools) by annually allocating from the General Fund an amount equaling 1% of required state and local funding for public schools.
- **Proposition 29:** Would enact staffing requirements, reporting requirements, ownership disclosure, and closing requirements for chronic dialysis clinics. The measure would also prohibit clinics from refusing to care for a patient based on the patient's form of payment.
- **Proposition 30:** Increases the tax on personal incomes above \$2 million by 1.75% and dedicates revenue to Zero Emission vehicle projects and wildfire prevention programs.
- **Proposition 31:** This measure upholds the ban on flavored tobacco sales. The ban is upheld by Senate Bill 793 (SB 793), which was signed into law on August 28, 2020. SB 793 was designed to ban the sale of flavored tobacco products and tobacco product flavor enhancers, with exceptions for hookah tobacco, loose leaf tobacco, and premium cigars.



CRUZ STRATEGIES

UPCOMING DEADLINES

- **Sept. 30** Last day for Governor to sign or veto bills passed by the Legislature before Sept. 1 and in the Governor's possession on or after Sept. 1
- **Oct. 2** Bills enacted on or before this date take effect January 1, 2023.
- **Nov 8** General Election.
- **Nov. 30** Adjournment *sine die* at midnight
- **Dec. 5** 2023-24 Regular Session convenes for Organizational Session at 12 noon.