

SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA



ITEM: 2.3
(ID # 14502)

MEETING DATE:
Tuesday, February 09, 2021

FROM : EXECUTIVE OFFICE:

SUBJECT: EXECUTIVE OFFICE: Receive and File the Legislative Update Report, All Districts.
[\$0]

RECOMMENDED MOTION: That the Board of Directors:

1. Receive and File the Legislative Update Report.


ACTION: Consent


Brian Nestande 2/3/2021

MINUTES OF THE BOARD OF SUPERVISORS

On motion of Supervisor Jeffries, seconded by Supervisor Hewitt and duly carried by unanimous vote, IT WAS ORDERED that the above matter is approved as recommended.

Ayes: Jeffries, Spiegel, Washington, Perez, and Hewitt
Nays: None
Absent: None
Date: February 9, 2021
xc: E.O.

Kecia R. Harper
Clerk of the Board
By: 
Deputy

**SUBMITTAL TO THE BOARD OF SUPERVISORS COUNTY OF RIVERSIDE,
STATE OF CALIFORNIA**

FINANCIAL DATA	Current Fiscal Year:	Next Fiscal Year:	Total Cost:	Ongoing Cost
COST	\$ 0	\$ 0	\$ 0	\$ 0
NET COUNTY COST	\$ 0	\$ 0	\$ 0	\$ 0
SOURCE OF FUNDS: N/A			Budget Adjustment: No	
			For Fiscal Year: 21/22	

C.E.O. RECOMMENDATION: Approve

BACKGROUND:

Summary

The purpose of Riverside County's Legislative Coordination Policy Program is to support legislation which benefits the County and its residents, and to oppose/amend legislation which might adversely affect the County. The following specific procedures are instituted to facilitate active participation by Departments, allow the Executive Office to act as a centralized "clearinghouse" for legislative matters, and to ensure that all advocacy efforts are entirely consistent with Board-approved positions. Per Board Policy A-27, The County's Legislative Advocates and or the Executive Office shall provide to the Board, monthly reports on the progress of County-sponsored legislation and issues at the forefront of discussion at State/Federal levels that may have a fiscal and/or operational impact on the County. This Form 11 is a state and federal legislative update report for the month of January 2021.

STATE REPORT: TO ACCESS THE FULL REPORT, PLEASE OPEN ATTACHMENT

State Legislative Update:

The COVID-19 pandemic continues to limit the state legislature's focus to responding to continued health, social, and economic impacts of the pandemic, the end of January has been marked by a flurry of action and activity around addressing the eviction moratorium that, under provisions of a measure enacted last year (AB 3088, Chiu), were set to expire on January 31. The Governor signed SB 89 and SB 91 – two budget trailer bills that provide a bridge for extending the moratorium on evictions. Provisions in both bills become effective immediately with a simple majority vote.

SB 91 extends the existing statewide moratorium (established via last year's AB 3088) on evictions through June 2021 and include provisions to allocate up to \$2.6 billion in federal stimulus funds for purposes of rental and utility assistance (\$1.1 billion for cities and counties with populations of 200,000 or greater and \$1.5 billion to the state for allocation and administration). HCD is tasked with administering a program to allocate the state share of federal assistance, as follows:

- Funding for the first round is prioritized for those renters with incomes less than 50% average median income (AMI); funding for the second round is for communities

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STATE OF CALIFORNIA**

disproportionately impacted by COVID-19; finally, funding for round 3 is dedicated to eligible households at 80% AMI or less.

- Funding may be used for rental arrears, prospective rent payments, utility arrears, and prospective utility payments.

Payments may be made directly to landlords, with rental arrears limited to 80% of unpaid rental debt from April 1, 2020 through March 31, 2021; under an agreement between grantees and the landlord, the payment must be accepted as payment in full. If a landlord refuses to participate, payments may be made directly to renters up to 25% of unpaid debt. Remaining funds will be allocated to those cities and counties with populations above 200,000. For cities and counties with populations greater than 500,000, amounts will be received as a block grant from the state. For additional state budget details see attached State Legislative Report- January 2021.

FEDERAL REPORT: TO ACCESS THE FULL REPORT, PLEASE OPEN ATTACHMENT

Federal Legislative Update:

In the final days of the 116th Congress, the House and Senate passed a \$1.4 trillion Omnibus Appropriations Bill, which funds the operations of the federal government through September 30, 2021. Also, Congress passed a \$900 billion COVID-19 relief bill. While this relief bill did not include new direct federal assistance to states and local governments, Congress did give states and local governments additional flexibility with existing funds by adjusting deadlines related to unspent CARES Act funding to December 30, 2021.

The 117th Congress convened on January 3, 2021, with a slender, five-seat Democratic majority in the House and a 50-50 Senate where Vice-President Harris will break ties, thus placing Democrats in control of that chamber. The 117th Congress is discussing policies related to COVID-19 relief, economic stimulus, infrastructure and environmental issues. The Senate continues to hold hearings and taking confirmation votes on Biden Administration Cabinet appointments.

President Biden is pressing forward with his \$1.9 trillion American Rescue Plan. This package's priorities include aid to state and local governments (though silent on the issue of replacing lost revenue), direct payments to individuals, expanded unemployment benefits, funding for vaccine distribution, rental relief, and small business assistance. For additional federal update details see attached: January 2021 Federal Report to Riverside County BOS 2-1-21.



Lang
Hansen
Giroux &
Kidane
*Governmental
Relations*



HURST+BROOKS+ESPINOSA

February 1, 2021

To: Brian Nestande
Deputy CEO, County of Riverside

From: Lang, Hansen, Giroux & Kidane
Hurst Brooks Espinosa

RE: State Legislative Update – January 2021

The members of the newly formulated 2021-22 Legislature returned to Sacramento on Monday, January 11 – one week later than originally planned due to surging COVID-19 transmission rates – to begin the first year of the two-year legislative session. The houses continue to operate with social distancing practices in place, meaning in-person access to members and staff are limited. For the foreseeable future, advocacy and testimony will occur through remote means (i.e., phone or video). Your advocacy team has adapted to this “new way of doing business” and continues to maintain close contact with returning members in the Riverside County delegation and are making outreach to newly elected members and their staffs.

In this memo, we update your Board on major policy issues the Legislature will delve into this year, a state budget update, and a discussion of County-sponsored bills and budget requests.

Policy Outlook for 2021

Extension of Eviction Moratorium – While COVID-19 continues to limit the Legislature’s focus to responding to continued health, social, and economic impacts of the pandemic, the end of this month has been marked by a flurry of action and activity around addressing the eviction moratorium that, under provisions of a measure enacted last year (AB 3088, Chiu), were set to expire on January 31. Friday, the Governor signed SB 89 and SB 91 – two budget trailer bills that, while likely not perfect solutions, do provide a bridge for extending the moratorium on evictions. Provisions in both bills become effective immediately with a simple majority vote. As shared with you previously, these measures do the following:

SB 89: Budget Bill Jr.

This measure makes technical changes to the 2020-21 Budget Act to appropriate and implement federal funds received for rental assistance under the California Department of Housing and Community Development (HCD).

SB 91: Eviction Moratorium/Rental Assistance

This bill extends the existing statewide moratorium (established via last year's AB 3088) on evictions through June 2021 and include provisions to allocate up to \$2.6 billion in federal stimulus funds for purposes of rental and utility assistance (\$1.1 billion for cities and counties with populations of 200,000 or greater and \$1.5 billion to the state for allocation and administration).

HCD is tasked with administering a program to allocate the state share of federal assistance, as follows:

- Funding for the first round is prioritized for those renters with incomes less than 50% average median income (AMI); funding for the second round is for communities disproportionately impacted by COVID-19; finally, funding for round 3 is dedicated to eligible households at 80% AMI or less.
- Funding may be used for rental arrears, prospective rent payments, utility arrears, and prospective utility payments.
- Payments may be made directly to landlords, with rental arrears limited to 80% of unpaid rental debt from April 1, 2020 through March 31, 2021; under an agreement between grantees and the landlord, the payment must be accepted as payment in full. If a landlord refuses to participate, payments may be made directly to renters up to 25% of unpaid debt.
- Funds are allocated based on population, with \$150 million set aside for counties with populations under 200,000. Remaining funds will be allocated to those cities and counties with populations above 200,000. For cities and counties with populations greater than 500,000, amounts will be received as a block grant from the state. Cities and counties with populations between 200,000 and 500,000 are eligible to receive funding as a block grant. For localities with populations below 200,000 or those who have declined to receive their state block grant, the bill permits HCD to contract with a vendor to serve as the program implementer to manage and fund services to distribute emergency rental assistance resources. Up to 10 percent of funds may be used for administrative purposes.
- Initial allocation of funds must be completed and shared no later than **February 19, 2021** by HCD, in consultation with the Department of Finance. Locals must request the block grants by **February 12, 2021**, must contractually obligate at least 65 percent of those funds by **June 1, 2021**, and must fully expend those funds by **August 1, 2021**.
- HCD is also directed to establish a contract with an education and outreach contractor to conduct a multilingual statewide campaign to promote program participation and accessibility.

Local Pandemic Response and Recovery – Counties are on the front lines of the pandemic response and, since the end of 2020, are expending considerable resources without federal support and with declining local revenues. Vaccinations are highest priority, given that they are the key to economic recovery and reopening of business, educational, and social activities across the board. Counties were required to submit detailed vaccinations plans to the California Department of Public Health (CDPH) at the first of the year and are executing those plans. Like other jurisdictions, Riverside County has scaled up and are prepared to deliver vaccines around the clock. Supply remains the biggest challenge, and questions remain about how the Administration's recently announced Third Party Administrator proposal will assist with that challenge and whether it will, in fact, impede vaccine distribution and administration plans already underway. The Legislature is engaged and

holding an oversight hearing on February 3 on vaccine distribution. On your behalf, we are engaging with other urban counties and local health departments to dispel myths about vaccination usage rates and to make the case for additional supplies for county vaccination efforts.

Our advocacy on your behalf is to ensure the Administration, Legislature, and your delegation, in particular, understand the depth and breadth of the County's responsibilities and considerable efforts you are undertaking to meet your communities' needs. It is important they understand that the vaccination challenges are occurring at the same time your teams are continuing to work to maintain testing and contact tracing and other critical pandemic response efforts. We will continue to advocate for securing additional, direct assistance from the federal government and for consistent collaboration and support from the state.

The advocacy team is looking for partnership opportunities with local health departments and public hospitals to identify additional funding for counties to address immediate and budget year needs.

Sponsored Bills and Budget Requests

Your advocacy team is working directly with your legislative affairs team in support of placing several sponsored bills and pursuing budget-related requests in keeping with the state legislative platform your Board recently adopted.

As noted above, the State Capitol continues to operate under strict COVID-19 protocols with limited opportunities for policy and budget committees to perform their "normal" work. While initial efforts of the Legislature will be focused on COVID-19 relief and state budget/economic stimulus, normal bill introductions are occurring.

Working within that environment, we have arranged for several County "sponsored bills" to be submitted for drafting to Legislative Counsel. Those include the restrictive covenants issue, wild burro amendments, and ways to address the out of state group home certification issue.

The bill introduction deadline is Friday, February 19, so there is some additional time to fine-tune bill requests. Your team will have a better sense of the landscape of legislative proposals shortly after the introduction deadline. While leaders in both houses have indicated there is no reduction to the number of bills any single member can introduce, they have cautioned that given the ongoing impact of the pandemic – and resulting reductions in hearing room availability and hence reduced numbers of hearings – there will, of necessity, be fewer bills that will advance than during a normal (non-pandemic) year. Legislators have been told by leadership to expect to move no more than 12 of their individual bills to the other house.

State Budget Update

As was detailed in our comprehensive summary of the Governor's 2021-22 proposed spending plan, he has requested that the Legislature take action at two intervals prior to the traditional next milestone in the state budget process. Specifically, the Governor asked the Legislature for a set of immediate budget actions (in January) and a set of early actions (in March) in advance of the Administration's release of the May Revision that will set the framework for the final state budget due by mid-June. With the Governor's signature on the eviction moratorium/rental assistance package on Friday, the "immediate" actions were only partially realized. The Governor's requests on investments for school reopening, small business assistance, and other economic recovery items have yet to be addressed. An even lengthier list of items is requested for action in March.

As noted above, the pandemic-induced limitations on hearings in general mean that budget subcommittees will have fewer opportunities to meet. What that practical limitation means on members' ability to vet issues remains to be seen. We will continue to keep you updated.

The Administration will be submitting trailer bill language on a number of budget proposals in the coming days (while typically language is released February 1, sometimes language is released into the spring). As we identify funding opportunities that benefit Riverside County, we will be sharing language and asking for feedback to maximize local benefit, and we will pursue opportunities to achieve that maximization.

We anticipate that opportunities will be available to assure Riverside County receives a "maximized" fair share of COVID-19 relief funds, economic recovery/stimulus funds, homelessness support and public hospital funding.

There will also be a significant opportunity to assure that Salton Sea funding/support is included in one or both of the State Resiliency Bond measures authored by Senator Portantino and Assembly Member Eduardo Garcia.

Other Policy Issues of Note

We anticipate that there will be no shortage of complex and weighty issues – on top of the continued response to the pandemic's public health, economic, and educational toll – before the Legislature in 2021. These issues will include, at a minimum, the following: housing production, broadband access, further policing reforms, homelessness, employee protections in the context of the pandemic, wildfires, and enhanced unemployment benefits determination in response to recent revelations about fraudulent activity. Additionally, members have already floated bond measures to address an array of needs: broadband ([AB 34](#), Muratsuchi), school facilities ([AB 75](#), O'Donnell and [SB 22](#), Glazer), climate resiliency ([SB 45](#), Portantino), and housing for low-income and homeless populations ([SB 5](#), Atkins). [SB 56](#) and [AB 4](#), by Senator Maria Elena Durazo and Assembly Member Joaquin Arambula, respectively, would expand of Medi-Cal to cover all otherwise eligible persons regardless of immigration status. Also of note is Assembly Member Aguiar-Curry's renewed effort on telehealth in [AB 32](#).

Finally, in the wake of the successful November 2020 referendum that blocked implementation of SB 10 (Hertzberg, 2018) that would have replaced the cash bail system with a risk-based pre-trial assessment and supervision, two bills have been introduced to reform the wealth-based bail system. [AB 329](#) (Bonta) and [SB 262](#) (Hertzberg) are identical bills that would set zero-dollar bail for low-level felonies and misdemeanors, eliminate county-based bail schedules in favor of a statewide scheduled to be developed by the Judicial Council, and establish circumstances under which bail is to be refunded (e.g., charges are dropped).

We will continue to communicate with your staff about the County's priorities and will keep you apprised on budget developments as well as bills on which the County may seek to engage directly.

Please reach out to any of us on the advocacy team with questions.

KADESH & ASSOCIATES

February 1, 2021

Memorandum

TO: Riverside County Board of Supervisors

FROM: Dave Ramey - Kadesh & Associates

RE: Federal Update

In the final days of the 116th Congress, the House and Senate passed a \$1.4 trillion Omnibus Appropriations Bill, which funds the operations of the federal government through September 30, 2021. Also, Congress passed a \$900 billion COVID-19 relief bill. While this relief bill did not include new direct federal assistance to states and local governments, Congress did give states and local governments additional flexibility with existing funds by adjusting deadlines related to unspent CARES Act funding to December 30, 2021.

The 117th Congress convened on January 3, 2021, with a slender, five-seat Democratic majority in the House and a 50-50 Senate where Vice-President Harris will break ties, thus placing Democrats in control of that chamber. The 117th Congress is discussing policies related to COVID-19 relief, economic stimulus, infrastructure and environmental issues. The Senate continues to hold hearings and taking confirmation votes on Biden Administration Cabinet appointments. In its House Rules package, the majority exempted from traditional Pay-Go rules legislation addressing the COVID pandemic, and Climate Change.

After being sworn in as the 46th President of the United States, President Biden continued to press forward with his \$1.9 trillion *American Rescue Plan*, which was announced a week before the inauguration. This package's priorities include aid to state and local governments (though silent on the issue of replacing lost revenue), direct payments to individuals, expanded unemployment benefits, funding for vaccine distribution, rental relief, and small business assistance. One Emergency Rental Assistance program through the US Treasury already announced and closed its grant application period. Locally only the County and the cities of Moreno Valley and Riverside qualified for the grant program. All three entities submitted proposals.

The Biden COVID relief proposal would provide \$20 billion to state, local and tribal governments and territories to launch community vaccination centers around the country and deploy mobile vaccination units to remote areas. Additionally, the proposal would provide a 100 percent increase in the Federal Medicaid Assistance Percentage (FMAP) for the administration of vaccines to Medicaid enrollees in each state. The proposal would provide \$50 billion for the expansion of COVID-19 testing through the purchase of rapid tests and to increase lab capacity. Specifically, the proposal would assist local governments and schools to implement regular testing to support safe reopening, protect residents in county-owned congregate settings like jails and long-term care facilities and ensure that testing would be provided free of charge for everyone. The plan also would provide funding for 100,000 public health workers to perform vaccine outreach, contact tracing and build long-term public health capacity at the local level. Along with funding for additional personnel, the proposal would allocate \$30 billion into the

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FEMA Disaster Relief Fund for supplies and protective gear. The plan would also provide 100 percent federal reimbursement for critical emergency response resources to state, local and tribal governments, which includes the deployment of the National Guard.

The Defense Production Act:

President Biden has invoked the Defense Production Act (DPA) to speed up COVID-19 vaccine production. The administration says it will use the DPA to strengthen the supply chain for the raw materials needed to make vaccines and support expanding capacity to produce lipid nanoparticles – a critical and complex part of both the Pfizer and Moderna vaccines. The DPA is useful in obtaining needed raw materials for vaccine production as well as purchasing critical manufacturing equipment and even retooling or expanding production facilities. For example, Administration officials have made it a priority to acquire more “low dead space” syringes, which help extract extra doses of vaccine from vials.

Executive Orders:

President Biden is making swift and broad use of executive order powers. By the end of his first full week, he had issued 39 executive actions -- orders, memoranda and proclamations -- many of which overturned similar actions by his predecessor, Donald Trump. The 39 “presidential actions” listed on the White House website as of Jan. 28 included executive orders to end the use of privately run prisons, reverse a ban on transgender Americans serving in the military, and help Americans buy health insurance during the pandemic; a memorandum boosting federal reimbursement to states that deploy the National Guard to administer vaccines or otherwise help with Covid-19; and proclamations stopping federal spending on a wall along the U.S.-Mexico border and ending restrictions on travel and immigration from some predominantly Muslim countries. One of the Biden administration’s first actions -- a Department of Homeland Security directive temporarily halting most deportations of undocumented immigrants -- has been blocked by a federal judge.

The Congress:

The House will vote this week on a budget resolution, the first step in setting up a fast-track process to allow passage of President Biden’s \$1.9 trillion stimulus bill without needing Republican support. Senate Majority Leader Chuck Schumer (D-N.Y.) reiterated calls for a “bold and robust” coronavirus relief package and said the chamber would act next week. After the House and Senate adopt the fiscal 2021 budget resolution, a special *reconciliation* bill adhering to the budget can subsequently be passed by the Senate with a simple majority rather than 60 votes, bypassing the need to find 10 Republicans to shut off unlimited Senate debate (i.e. the filibuster). The budget resolution will contain instructions to other committees to craft their portions of the stimulus measure. Elements of Biden’s Covid-19 plan, such as direct stimulus checks and extended unemployment insurance, qualify for the process while others, such as vaccine funding, state and local aid and a minimum wage increase, may not.

On the Floor and in the Committees:

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House lawmakers will vote this week on the National Apprenticeship Act (H.R. 447), which would authorize \$3.5 billion for expansion of registered apprenticeships and other training opportunities. A bipartisan group of lawmakers re-introduced the legislation last week. The Senate is proceeding with Cabinet nomination hearings and votes. Domestic Terrorism will be the focus of the first hearing of the 117th Congress for the House Homeland Security Committee. House Energy and Commerce Oversight and Investigations Subcommittee plans a Tuesday hearing featuring state health officials discussing the challenges of Covid-19 vaccine distribution and administration, and what Congress can do to help the effort. The panel is laying groundwork for injecting billions of dollars into local public health systems to speed up Covid-19 vaccination efforts and strengthen the country's public health workforce.

SALT:

Senate Majority Leader Schumer and Representative Tom Suozzi, both New York Democrats, are leading efforts to fully repeal the \$10,000 limit on state and local tax deductions, or SALT. The lawmakers have introduced legislation in the House and Senate that would roll back the \$10,000 cap included in Republicans' 2017 tax law, which would allow taxpayers to write off the full amount of their state and local tax bills. The legislation would immediately repeal the cap on SALT write-offs, which politicians representing the high-tax states say is fueling an exodus as residents seek move to locations with lower costs of living. The move would probably have to rely on Democratic votes, making it more challenging to pass in the Senate, where the partisan split is 50-50. House Democrats have made several attempts to reverse the cap in recent years, all of which were blocked in the previously Republican-controlled Senate. Repealing the SALT cap is a costly proposition. To allow unlimited deductions just in 2021 would cost \$88.7 billion, according to the Joint Committee on Taxation.

Budget Timetable:

President Biden is expected to formally submit his federal budget proposal to Congress sometime in the April/May timeframe and set a roadmap of the new Administration's policy priorities. Meanwhile, the House plans to begin the process by releasing a fiscal 2021 budget resolution on Monday, February 1, 2021. The "skinny" budget resolution, intended only as a vehicle for the COVID-19 reconciliation bill, is expected to go to the Rules Committee on Tuesday and be on the House floor Wednesday. In the Senate, incoming Budget Chairman Bernie Sanders, I-Vt., is expected to introduce an identical budget resolution. After a few days of debate the Senate would proceed to an amendment process on Thursday with a goal of adopting the budget Friday morning. Since both chambers need to adopt the same numbered concurrent resolution, the quicker-moving House would likely "deem" the Senate-adopted version as having also been adopted in that chamber after it arrives from the Senate. Alternatively, the House could have to vote again, possibly next weekend, if the Senate amends the text at all during the amendment process. The process is being closely coordinated between House and Senate Democratic leaders, who are aiming to have the legislation ready for Biden to sign before March 14. That is when a federal \$300 weekly unemployment insurance supplement enacted last month (PL 116-260) as well as extensions of regular benefits lapse. The White House said this week it has dropped consideration of moving the package in two separate bills. Democrats are

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including all or most of what Biden has proposed in a reconciliation bill that can pass the Senate with a simple majority.

The Appropriations committees won't get reconciliation instructions, but they'll work with the authorizing committees on large portions of the bill that will contain discretionary funds. The authorizers will include discretionary spending in their legislative portions, which is unusual but has been done in the past. The move will also prevent appropriators from breaching statutory spending caps for fiscal 2021.

The exact timetable for wrapping up the aid package remains in flux. The goal is for both chambers to adopt the budget resolution in time to allow House committees to write and report their portions during the weeks of Feb. 8 and Feb. 15. The House Budget Committee could assemble the reconciliation legislation and report it the week of Feb. 22, with House consideration of the package possible that same week. After passing the bill, the House would send it to the Senate as early as the week of March 1. With the idea being House and Senate Democrats will "pre-conference" the package, the current thinking is to skip Senate committee markups and go straight to the floor.

Ten Senate Republicans make a counter-offer of \$618 billion:

President Biden was set to hear from 10 Republican senators at the Oval Office on 2-1-21 at 5:00pm ET about their \$618 billion counter-offer to his \$1.9 trillion Covid-19 relief package. The group of 10 is composed of centrist lawmakers such as Susan Collins of Maine, along with more conservative-leaning senators including Mike Rounds of South Dakota. The proposal includes \$1,000 in direct payments, compared to Biden's \$1,400 proposal. The checks will be phased out starting at \$40,000 in earnings a year, with a cap of \$50,000. That is much tighter than the \$75,000 to \$87,000 phase-out of the payments enacted in a December relief package. Dependent children and adults would receive \$500 payments instead of \$1,400 payments. Direct Covid-19-related spending amounts to \$160 billion, mirroring Biden's proposal. There is \$132 billion for expanded unemployment benefits. The plan would extend the current \$300 federal weekly supplemental payments, which expire in mid-March, to June. That compares with a \$400 benefit through September in the Biden plan. The GOP proposal includes \$50 billion for small businesses, along with \$20 billion each for childcare and school reopening. The stimulus checks are estimated to cost \$220 billion. The overall price tag is \$618 billion. Omitted from the proposal are Biden-plan items including aid for state and local governments and a minimum-wage increase to \$15 per hour.

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