



## **Special Legislative Update ■ April 29, 2020**

### **Special Senate COVID-19 Response Committee Sets First Meeting Next Week**

As we noted in a previous update, Senate President pro Tempore Toni Atkins established a new special committee (different from the special budget subcommittee) to provide oversight into the state's response to the COVID-19 pandemic. The first meeting of the Senate's Special Committee on Pandemic Emergency Response has been scheduled for Wednesday, May 6 at 1:30 p.m. We will provide a link to the agenda when it becomes available.

The special committee has been charged with reviewing the state's response to the COVID-19 health crisis and making findings and recommendations for future preparedness. Members will assess what the state has done well up to this point in response to the pandemic and where improvements could be made. As a reminder, the composition of the committee is as follows: Senators Lena A. Gonzalez, chair; Patricia C. Bates, vice-chair; Andreas Borgeas; Anna M. Caballero; Bill Dodd; Hannah-Beth Jackson; Brian W. Jones; Mike McGuire; Richard Pan; Thomas J. Umberg; and Scott D. Wiener.

Also, in follow up to yesterday's announcement that Senate activities are expected to resume in Sacramento on May 11, Senator Atkins made clear that the members' final return date is subject to ongoing evaluation of the public health crisis and ensuring that sufficient measures can be put in place to protect the health and safety of members, staff, and the public.

### **SB 1 Local Streets and Road Schedule Modified Due to COVID-19 Pandemic**

Today, the California Transportation Commission (Commission) took action during their virtual meeting to modify the schedule for the SB 1 – the Road Repair and Accountability Act of 2017 – Local Streets and Roads Program for 2020-21. Recall that counties and cities receive approximately \$1.5 billion annually in monthly apportionments for local streets and roads from SB 1. In order to drawn down these funds, SB 1 requires counties and cities to submit to the Commission, prior to the start of a new fiscal year, a list of projected projects the local agency intends fund with their share of the revenue. At the end of each fiscal year, counties and cities are also required to submit an annual expenditure report to the Commission outlining exactly how the funds were invested. Since SB 1 took effect, locals have submitted the project list and expenditure report on May 1 and October 1 each year, respectively.

Given the wide-ranging impacts of the ongoing COVID-19 pandemic at all levels, local governments were concerned with the ability to meet a May 1 deadline to submit project lists.

Moreover, SB 1 revenues are expected to take a significant hit due to decreased travel and fuel consumption, and the Department of Finance, who provides revenue estimates that the lists are based on, won't have updated numbers until they release the May Revision to the 2020-21 proposed state budget. Thankfully, the Commission worked with local government associations to develop a revised schedule that meets all statutory requirements but gives counties and cities more time to develop accurate lists and reports. The newly adopted 2020-21 schedule is below.

**SB 1 Funding Eligibility Schedule for Fiscal Year 2020-21**

Program Milestone	Current Schedule	Amended Schedule (Staff Recommendation)
Project Lists Due to Commission	May 1, 2020	Extend to July 15, 2020
Initial List of Eligible Cities and Counties Adoption	June Commission Meeting	August Commission Meeting
Commission Sends Adopted Initial Eligibility List to the State Controller	June 30, 2020 (at the latest)	August 31, 2020 (at the latest)
Subsequent Project Lists Due to Commission	August 1, 2020 (if needed)	Extend to September 30, 2020
Subsequent List of Eligible Cities and Counties Adoption	August Commission Meeting	October Commission Meeting
Commission Sends Adopted Subsequent Eligibility List to the State Controller	August 31, 2020 (at the latest)	October 31st (at the latest)

**SB 1 Expenditure Reporting Schedule for Fiscal Year 2019-20**

Program Milestone	Current Schedule	Amended Schedule (Staff Recommendation)
Fiscal Year Expenditure Reports due to Commission	October 1, 2020	December 1, 2020
Informational Update to Commission	December Commission Meeting	December Commission Meeting

**Governor Announces Food Initiatives**

At his noon press conference, Governor Gavin Newsom announced new initiatives to access healthy food while also supporting the farm industry. The COVID-19 pandemic has created an unprecedented level of demand at California food banks—seeing a year-over-year increase in demand of approximately 73 percent. The first three weeks of April, CalFresh saw a 140 percent increase in the number of applications over the same time last year, and California farmers and

ranchers simultaneously saw their market decrease by 50 percent. The fresh produce industry supply chain has been especially hard hit because of the perishability of the products that must be harvested, shipped, and consumed in a short period of time. Nationally, the specialty crop producers estimate losses thus far at \$5 billion in cancelled or reduced contracts. California producers are believed to have approximately \$2.5 billion in losses.

Announced today are the following programs:

- *Expanding California's Farm to Family Program* – California's Farm to Family program is a partnership between the California Department of Food and Agriculture (CDFA) and the California Association of Food Banks to facilitate food donations from farmers and ranchers. Today, the Governor unveiled \$3.64 million in new funding to expand the state's Farm to Family program, including \$2.86 million from the USDA and \$775,000 committed by philanthropy to jumpstart a \$15 million campaign to further support the program through the end of the year.

CDFA received approval from the USDA to redirect \$2 million in unused Specialty Crop Block Grant funds to the California Association of Food Banks to offset the costs of picking, packing and transporting donated produce. An additional \$861,854 from the USDA Farm to Food Bank program was awarded to the California Department of Social Services (CDSS) to support the program. Farm to Family partners with 41 food banks serving all 58 counties, and handles the logistics of packaging the food and communicating with food banks.

Roughly 128 farmers and ranchers are donating to the California Association of Food Banks and another 200 farmers have expressed interest in participating. In March, Farm to Family distributed 14.5 million pounds of fresh fruits and vegetables and in the first three weeks of April, distributed 18 million pounds of food. These funds will support the donation of 21 million pounds of fresh crops for the month of May.

Additionally, \$775,000 in private funds have been secured for the California Association of Food Banks to help provide a bridge to local food banks to be able to meet the increased demand through the end of May. This funding will be leveraged to launch the \$15 million campaign to support the Farm to Family program through the end of the year.

- *CalFresh Maximum Benefits* – The Governor also announced today that CalFresh recipients will receive the maximum benefits for the month of May. The continued expansion of benefits was secured through a USDA waiver that allows all households to receive the maximum allowable benefit amounts, and is a continuation of the same level of benefit received in March and April. On April 12, just over 1.3 million households received a total of nearly \$223 million in additional CalFresh benefits with an average increase of \$169 per household.
- *Pandemic Emergency Benefits Transfer Program (P-EBT)* – Families with children eligible for free or reduced price meals can receive additional support via the Pandemic Emergency Benefits Transfer Program (P-EBT). CDSS has identified roughly 3.8 million children who could qualify,

and each eligible child could receive up to a total of \$365 in P-EBT benefits. P-EBT eligible children that who CalFresh, Medi-Cal, or Foster Care benefits do not need to apply for the new benefits and will receive a P-EBT card in the mail in early May. Other families receiving free or reduced lunches but not enrolled in CalFresh will need to complete a short online application, which will open in late May.

### **House Democrats Work on State and Local Relief Package**

House Democrats are currently working on a plan to get federal assistance to state and local governments in a fourth stimulus package, Ways and Means Committee Chairman Richard Neal (D-Mass.) told the US Conference of Mayors today. Provisions will reportedly include private activity bonds and Build America bonds, and potentially revenue-sharing arrangements that had been used during the 1980s. A proposal should be released in the next week or two, according to Congressman Neal, who reiterated his personal commitment to securing aid for states and local governments.

### **Bay Area Counties Revise Shelter-in-Place Order**

The six Bay Area counties that took early action to restrict activities meant to flatten the COVID-19 transmission curve announced today that – effective May 4 – a revised [order](#) would be put in place that redefines certain essential activities and eases certain restrictions. The principal changes in the new order do all of the following: (1) permit all construction projects to resume with specified safety protocols in place; (2) restart commercial and residential real estate transactions with limitations on in-person viewings and appointments; and (3) allow child care centers, summer camps, schools, and other recreational programs to operate, with specified restrictions. Additional provisions in the order reduce restrictions on outdoor businesses, residential moves, and recreational activities. The revised order will remain in effect through Sunday, May 31, unless it is subsequently amended or extended. Its provisions are jointly adopted by the public health officers in the Counties of Alameda, Contra Costa, Marin, San Francisco, San Mateo, Santa Clara as well as the City of Berkeley and apply to all persons living and working within these jurisdictions. Other counties across the state have begun to announce revised shelter-in-place orders as well.

### **Chief Justice Issues Statewide Order to Extend Deadlines**

Today, California Chief Justice Tani G. Cantil-Sakauye issued a new statewide [order](#) to extend by 30 days the deadline for superior courts to hold criminal trials. With today's action, the extensions of time for criminal trials during the period of pandemic is now at 90 days. Additionally, the Chief Justice's order urges collaboration among local justice partners to hold trials earlier, if possible and appropriate, through the use of remote technology. Other language in the order (1) Clarifies how to calculate the total 90-day extension of time; (2) Advises courts that further extensions must be requested under Government Code section 68115 with specific facts supporting the request; and (3) Urges courts to work with justice partners to encourage and facilitate settlement of pending cases.