



Special Legislative Update ■ June 29, 2020

Governor Signs Budget and Most Trailer Bills; More Action to Come Post-Summer Break

Within the last hour, Governor Newsom [announced](#) that he has signed two budget bills (the Legislature’s original two-house plan in SB 74, and then a “Budget Bill, Jr.” in AB 89 that conforms that measure to the final agreement) along with 18 associated trailer bills to enact the state’s 2020-21 spending plan. His accompanying press release highlights that the budget package “strengthens emergency response, protects public health and safety, and promotes economic recovery while closing a \$54.3 billion budget shortfall caused by the COVID-19 recession.” The measures signed into law this evening are detailed below. HBE will continue to keep you apprised on budget-related developments, as the Legislature has a number of pieces of unfinished business to attend to when members return to Sacramento mid-July after the summer recess.

2020-21 Budget Bill / Trailer Bills – As of June 29, 2020

Note that today – unless otherwise noted – the Governor signed all budget and trailer bills highlighted below. Action is expected on the remaining measures when the Legislature returns mid-July after its summer break; expect additional trailer bills not yet on this list to emerge as well in the weeks to come.

Bill No.	Topic
SB 74	Budget Act of 2020; see line-item veto here .
AB 89	Amendment to Budget Act of 2020
AB 75	Budget Act of 2019: deficiencies
AB 76 (signed 6/26/20)	Education finance (2019-20 actions)
AB 78	Infrastructure and Economic Development Bank (I Bank)
AB 79	Human Services
AB 80	Health
AB 81	Quality Assurance Fee (2/3 vote)
AB 82	General Government #1
AB 83	Housing
AB 84	CalSTRS/CalPERS
AB 85	State taxes and charges

AB 88 *	Public Safety
AB 90	Transportation
AB 92	Resources
AB 93	Earned Income Tax Credit
AB 100	Elections (General Government #2)
AB 102	CalSavers
AB 103	Unemployment Insurance
AB 105 *	Solar exemption from split roll initiative
AB 119	March 2020 Bargaining Unit Agreements
SB 98	K-12 Education – see signing message here .
SB 116	Higher Education
SB 1383 *	Paid family leave

*** Additional action needed.**

In last Friday’s update, we erroneously wrote that the Senate had approved [SB 1383](#) (Jackson) during its deliberations on the budget. That measure has not yet been approved by the Senate and, in fact, was amended today to instead apply expanded family leave and job protection benefits to businesses with **five** employees or more (as opposed to the previous version that would have applied to business with **one** employee or more). The bill will be likely be considered by the Senate on Thursday, July 2.

Another measure, [AB 105](#) (Ting), awaits a hearing in the Assembly and will not be considered until the Assembly returns later in July. That measure would exempt solar farms from the split-roll ballot initiative.

Highlights from Governor’s Midday Press Conference

As the state continues to confront transmission spikes, the Governor returned for another noon-time press update today. He spent the hour discussing state COVID-19 activities, with a particular emphasis on the dimmer switch aspects of the state’s guidance.

The Governor noted that the Imperial County Board of Supervisors is meeting over the next two days to discuss going back to the stay-at-home order due to the local health conditions. The Governor was clear that if Imperial County does not opt to re-impose the stay-at-home order then “the state of California will assert itself.”

The Administration yesterday required seven counties to close bars (Los Angeles, Fresno, Imperial, Kern, Kings, San Joaquin, Tulare) and recommended that an additional eight counties do so (Sacramento, Contra Costa, Riverside, San Bernardino, Santa Barbara, Santa Clara, Stanislaus, and Ventura). The seven counties mandated to close establishments had been on the Administration’s watch list for 14 consecutive days, while the eight counties where action is recommended have been on the Administration’s watch list for a shorter period of time. The number of counties on the Administration’s overall monitoring list has increased to a total of 19 since last week; new counties being monitored include Glenn, Merced, Orange, and Solano.

Updated health statistics shared at midday include:

- Total number of positive cases from the last three days are: 5,972 (Friday); 4,810 (Saturday); and 5,307 (Sunday). Over the last seven days, there has been a 45% increase in the total number of cases testing positive.
- The positivity rate statewide is at 5.5% for the most recent 14 days; a couple weeks ago, the positivity rate stood at 4.4%. By comparison, last week the positivity rate was at 4.8%. The Governor shared that other states have higher positivity rates, but “we don’t like the trend line in California.” The seven-day trend for positivity is at 5.9%.
- Hospitalizations have increase by 43% in the last two weeks.
- Patients with COVID-19 in Intensive Care Units (ICUs) have increase 37% in the last 14 days. California is using 39% of the available ICU bed capacity.

In Secretary Ghaly’s remarks, he talked about the current case patterns differing from county to county, which means each county needs a different set of solutions. He outlined three phases of state intervention and assistance to counties:

- 1) **Stabilize**, which includes emphasizing education and public awareness and pausing new sector openings;
- 2) **Concern**, which includes technical assistance, enforcing sector guidance and state mandates, and establishing strike teams; and
- 3) **Alarm**, which includes continuing to provide technical assistance and support, identification of additional sector closures, and a requirement to return to the stay-at-home order.

The Governor also talked about state tools to assist with enforcement, including state regulatory bodies.

Finally, the Governor also talked in detail about COVID-19 transmissions in state prisons. He shared that 1,011 inmates at San Quentin have tested positive; 2,600 inmates have tested positive system wide. He talked about previous state efforts to reduce the prison population in response to COVID and renewed efforts to reduce sentences for people slated to leave prison in the next 180 days. Additionally, he noted plans to move inmates and acknowledged that the state is considering changes in its prison transfer policy due to the COVID outbreak. Note that the Senate Public Safety Committee will host a [hearing](#) on Wednesday, July 1 focused on the impacts of COVID-19 in the state’s prison system.