

## **Governor Newsom Appoints Alex Padilla to U.S. Senate; Assembly Member Shirley Weber to Be Tapped as New SOS**

As most of you undoubtedly have heard, Governor Newsom announced earlier today that he has selected California Secretary of State Alex Padilla to replace Vice President-elect Kamala Harris in the U.S. Senate. Secretary Padilla will be the first Latino in the state's history to represent California in the Senate. He previously served on the Los Angeles City Council and in the state Senate before being elected as Secretary of State in 2014. For more on the Governor's announcement and Secretary Padilla's remarkable personal story, read [here](#).

News broke this afternoon that the Governor plans to announce the appointment of Assembly Member Shirley Weber of San Diego as the state's chief elections officer. She will be the first Black woman ever to hold this position. Prior to being elected to the state Assembly, Dr. Weber was a professor at San Diego State University and served on the school board in San Diego. Keep an eye out for more news on her appointment tomorrow.

## **Date Announced for SD 30 Special Election**

The Governor announced late last week the dates for the primary and general election to fill the Senate vacancy occasioned by former Senator Holly Mitchell's election to the Los Angeles County Board of Supervisors. Per the Governor's proclamation, the special primary election will be held March 2, 2021, followed by the special election on May 4, 2021. Assembly Member Sydney Kamlager, who currently represents nested Assembly District 54, has announced her plans to run for the Senate seat.

## **Senior Staff Transition Confirmed in Newsom Administration**

As has been widely expected and reported, Governor Newsom announced yesterday that his first Chief of Staff, Ann O'Leary, is leaving his administration early in the New Year. Her next role has not been announced, but it is assumed that O'Leary – a Clinton Administration alumnae – will pursue a role in the incoming Biden Administration. Read more [here](#) on her departure and the confirmation that Jim DeBoo will fill in behind as Executive Secretary, the Governor's right-hand person responsible for overseeing "overall strategy including communications, legislative, external affairs and intergovernmental affairs, as well as the Governor's scheduling, advance and protocol operations." DeBoo will work in close coordination with Cabinet Secretary Ana Matosantos, who will continue in her role overseeing agencies and departments, as well as leading the state's overall policy development and implementation and managing the Office of the Governor's legal affairs and judicial appointments.

## **Federal Stimulus Package Leaves Out States, Locals**

Just in time for Christmas, Congress has approved a \$2.3 trillion legislative package that includes both appropriations for federal fiscal year 2021 and additional COVID relief. Regrettably, the package does not include direct, flexible aid to states and local governments; the package does, however, include a number of provisions that will provide specific assistance to states and locals, as follows:

- **\$8.75 billion to assist with vaccine development and distribution:** of this, \$4.5 billion in direct grants from the CDC to states and localities under the Public Health Emergency Preparedness cooperative agreement formula, as well as an additional \$300 million for high-risk and underserved populations, including racial and ethnic minority populations and rural communities through new or existing grants;

- **\$22.4 billion for ongoing COVID-19 testing, contact tracing, and mitigation:** of this, \$21.6 billion is for direct grants to states and localities under the Public Health Emergency Preparedness cooperative agreement formula, as well as \$2.5 billion to improve contact tracing among racial and ethnic minority populations and rural communities through new or existing grants;
- **\$3 billion in additional funding for the Provider Relief Fund (PRF),** a \$175 billion pot funded through previous COVID-19 relief packages that is used to support hospitals and healthcare providers to combat the fiscal impact of the pandemic;
- **Extends all pandemic unemployment programs by 11 weeks and the federal supplemental unemployment insurance benefits by \$300 per week,** from December 26 through March 14, 2021 and provides \$1 billion to states for technology modernization and fraud prevention;
- **Rescinds \$429 billion in unused CARES Act funds and ends the lending facilities created by the CARES Act** by Dec. 31, 2020. Additionally, the bill permanently terminates three programs established by the Federal Reserve at the end of the year, including the Municipal Liquidity Facility (MLF), which was established to lend up to \$500 billion to eligible cities, counties, and states that experienced steep revenue declines. The legislation also prevents a new Treasury secretary from restarting these programs as well as from designing any new similar programs without congressional approval.
- **\$325 million for small business support:** of this, \$284 million to allow eligible businesses, with priority for distressed businesses to draw down a second round of loans from the Payment Protection Program (PPP). Eligibility is limited to small businesses with 300 or fewer employees that have sustained a 30 percent revenue loss in any quarter of 2020. Additionally, the deal includes \$20 billion in Economic Injury Disaster Loans (EIDL) advance grants, which will provide up to \$10,000 to small businesses that remain severely impacted by the ongoing slowdown and repeals the requirement of deducting an EIDL Advance from the PPP forgiveness amount.
- **A temporary, 15 percent increase in monthly Supplemental Nutrition Assistance Program (SNAP) benefits** for all participants through June 30, 2021;
- **\$13 billion in emergency assistance for SNAP and other federal nutrition programs** (including child and senior nutrition) to be available through Fiscal Year 2021;
- **Another round of Economic Impact Payments** of \$600 for individuals earning less than \$75,000 annually, \$1,200 for couples earning under \$150,000 annually, and an additional \$600 per qualifying child and allows families experiencing unemployment or reduced wages during the pandemic to receive an Earned Income Tax Credit or Child Tax Credit based on their 2019 income returns;
- **\$25 billion for a new emergency federal rental assistance program:** of this, \$500 million will be allocated to U.S. territories and \$800 million to tribal communities, and remaining funds will be distributed to states and localities with populations of 200,000 or more (each state will receive a minimum of \$200 million);
- **Extends the current CDC eviction moratorium** by one month until January 31, 2021;
- **\$10 billion in emergency funding for the Child Care Development Block Grant (CCDBG);**
- **Increases funding and create temporary flexibilities for programs targeting older foster youth, child abuse prevention, and kinship care providers;**
- **\$45 billion for transportation, including money for highways, transit, airports and Amtrak;** of this, \$27 billion is allocated to the U.S. Department of Transportation (DOT), and distributed as follows: \$10 billion for highways to carry out operations and maintenance activities, make debt service payments and replace lost transportation revenue as a result of COVID-19, \$14 billion for public transit through Transit Infrastructure Grants to be used for operating assistance, which will be allocated to urban and rural areas, and paratransit grants to states, \$2 billion for airports through the Airport Improvement Program (AIP), at a 100 percent federal cost share for

operations and maintenance activities and personnel costs, including concessionaires, and \$1 billion for Amtrak, including \$655.4 million for Amtrak's Northeast Corridor (NEC) and \$344.6 million for Amtrak's National Network.

- **\$600 million for the Certified Community Behavioral Health Centers (CCBHCs) Program**, which helps counties and other local entities provide a comprehensive range of mental health and substance use disorder services to vulnerable individuals, as well as \$1.7 billion in additional grant funding under the substance abuse treatment and prevention block grant program, \$1.7 billion in additional grant funding for the community mental health services block grant program, and \$50 million for suicide prevention activities.
- **\$300 million for the Broadband Infrastructure Program** to deploy broadband in underserved areas through public/private partnerships.
- **\$82 billion in emergency funds for the Education Stabilization Fund (ESF)** established under the CARES Act to be disbursed within thirty days.

For more information on the provisions in the COVID Relief and Omnibus Spending Package, check out this detailed [summary](#) from the National Association of Counties (NACo). President Trump raised doubts tonight about his intentions on signing the measure without additional changes, so stay tuned...

#### **HCD Announces NOFA For Coronavirus 2020 CDBG Funds**

The California Department of Housing and Community Development (HCD) has announced the release of the Community Development Block Grant (CDBG) – Coronavirus 2 and 3 [Notice of Funding Availability](#) (NOFA) for a total of \$77.1 million in overall funding, as follows:

- \$5.9 million of unclaimed funds from Round 1
- \$54.4 million in new funds from Round 2
- \$16.8 million from Round 3

CDBG-CV 2 and 3 NOFA provides funding only for the following activities:

- Assistance to businesses and microenterprises impacted by COVID-19 stay at home orders and shut-down
- Public services related to COVID-19 support
- Facility and infrastructure improvements related to COVID-19 impacts
- Acquisition and rehabilitation of real property, including housing, to be used in response to COVID-19 impacts

[Register](#) to attend a virtual workshop on this NOFA January 7, 2021 from 3:00 to 5:00 p.m