

UCC News: February 23, 2021

Governor Newsom Signs COVID Relief Package; Bills Effective Immediately

Governor Gavin Newsom joined legislative leaders at a Sacramento restaurant this morning to announce his signature on the COVID relief package approved by the Legislature yesterday. These measures – outlined below – take effect immediately.

AB 81 (Committee on Budget): General government trailer bill

Extends federal unemployment insurance compensation to conform with changes in federal law; includes technical clean-up to SB 91, the recently approved rental assistance program; includes \$5 million for Franchise Tax Board public outreach on the Golden State Stimulus Program.

AB 82 (Committee on Budget): Memoranda of Understanding

Enacts statutory changes to reflect memoranda of understanding between the state and Child Care Providers United and nine state bargaining units.

SB 94 (Committee on Budget): Licensing fee waivers

Makes statutory changes to allow for licensing fee waivers at the State Board of Barbering and Cosmetology and the Department of Alcoholic Beverage Control.

AB 85 (Committee on Budget): Budget Bill Jr.

Makes conforming changes to the 2020-21 state budget to enact the COVID Relief package.

SB 88 (Committee on Budget): Golden State Stimulus

Makes statutory changes to enact the Golden State Stimulus Program.

SB 87 (Caballero and Min): California Small Business COVID-19 Relief Grant Program: Income Tax: gross income: exclusion: small business grants

Establishes the California Small Business COVID-19 Relief Grant Program within CalOSBA to assist qualified small businesses affected by COVID19 through the administration of grants; appropriates \$2.075 billion to fund the program, including \$50 million for nonprofit cultural institutions.

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Correction: COVID Relief Package

In last night's update, we failed to note that the Legislature **did not** approve [AB 80](#) (Burke) yesterday, pending additional negotiations and potential amendments. This measure, in its current form, would partially conform state tax law with federal tax law relating to the treatment of Paycheck Protection Program (PPP) loans. The Governor and legislative leaders, in comments to the press, have suggested that additional relief for small businesses may be amended into the measure in the coming days.

Given that AB 80 was not part of the COVID relief package sent to the Governor, the totality of the relief represented in the six-bill package is about \$7.6 billion. Our apologies for any confusion.

Emergency Paid Sick Leave Bill Emerges

Identical measures [AB 84](#) (Ting) and [SB 95](#) (Skinner) were amended yesterday to extend emergency paid sick leave of 80 hours (per calendar year) to public and private sector workers who are unable to work due to COVID-19 retroactively to January 1, 2021. (Recall that previous provisions regarding emergency paid sick leave expired on December 31, 2020.) Emergency sick leave may be taken if the worker is:

Subject to a quarantine or isolation order related to COVID-19;

- Advised by a health care provider to quarantine or self-isolate;
- Prohibited from working by the hiring entity due to health concerns related to the transmission of COVID-19;
- Attending an appointment to receive a COVID-19 vaccine;
- Experiencing symptoms related to a COVID-19 vaccine that prevents the worker from being able to work;
- Experiencing symptoms of COVID-19 and is seeking a medical diagnosis;
- Caring for an individual who is required to quarantine or self-isolate or is experiencing symptoms and seeking a medical diagnosis;
- Caring for an individual whose school or place of care is closed or otherwise unavailable for reasons related to COVID-19.

These provisions would sunset on September 30, 2021.

AB 84 awaits hearing in the Senate Budget and Fiscal Review Committee, while SB 95 is in the Assembly Budget Committee awaiting hearing.

Tier Adjustments Announced

Humboldt, Marin, San Mateo, Shasta, and Yolo Counties will all move into the red tier tomorrow, the California Department of Public Health announced today. The state's Blueprint for a Safer Economy will allow these counties to ease restrictions for certain businesses. Governor Newsom suggested that next week another cohort of counties (as many as eight) would also be moving into the red tier, and even more still in the next two weeks, as COVID data stabilizes across the state.