



Established in 1991, UCC serves as the representative voice for state legislative advocacy for high-population counties in California. Initially composed of seven counties, the association has grown to 14 today. Over 80 percent of the state's population reside in UCC counties. Consequently, urban counties carry out critical programs and services to the state's most vulnerable populations. For more information, including details on our Board of

Directors, please visit [our website](#).

UCC News: April 16 2021

Act Now! US Treasury Releases New Guidance for Coronavirus State and Local Relief Fund

The US Treasury Department has announced steps eligible counties and cities must take to receive direct payments from the federal government under the Coronavirus State and Local Fiscal Funds authorized by the American Rescue Plan Act. Eligible entities should complete [pre-award requirements](#) as soon as practical to be ready for the formal launch of the program.

US Treasury Establishes Office Dedicated to Implement COVID Relief

The US Treasury Department also has announced the creation of a new office dedicated to the distribution of federal COVID-19 relief to state and local governments. Leading the new office will be new Chief of Recovery Officer Jacob Leinbenluft and Gene Sperling, the COVID Rescue Plan Coordinator at the White House. Establishing a centralized office for best practices and stakeholder engagement was a key recommendation of relevant national associations for states and local governments.

Action This Week on Another Round of Early Budget Items

As reported last week, several new 2021-22 budget trailer bills emerged as part of a further round of early budget action. As detailed below, the Legislature and Governor have taken various actions on different components of this new package of bills.

Wildfire Package Approved and Signed

This week, the Legislature approved and Governor signed into law [SB 85](#), a measure that provides \$586 million in current year funding to support wildfire suppression, improve forest health, and build resilience in communities to help protect residents and property from catastrophic wildfires across the state. Of the \$586 million, \$125 million comes from the Greenhouse Gas Reduction Fund (GGRF) with the remaining amount from the General Fund, allocated as follows:

- \$283 million: Resilient wildlands, including \$155 million for the forest health program and \$69 million for the state's conservancies;
- \$198 million: Wildfire fuel breaks, including \$148 million for CalFire fire prevention, vegetation management, and grant projects;
- \$27 million: Community hardening, including \$25 million for CalFire and CalOES for home hardening and \$2 million for defensible space inspectors in state responsibility areas;
- \$3 million: Scientific management, including ecological monitoring, research, and adaptive management by CalFire and university or other researchers;
- \$25 million: Forest sector economic stimulus, including \$16 million to the I-Bank for the Climate Catalyst Fund, which is a revolving loan fund established to finance climate-related projects, \$6 million to CalFire and the Workforce Development Board for workforce development and \$3 million to the Governor's Office of Planning and Research to create a Woods Products Market Development Program intended to help develop a sustainable private market for woody biomass.

Other items in the bill include: \$3.35 million General Fund in 2020-21 to the California Department of Food and Agriculture to fund a technical assistance and micro-grant program for small, mid-sized, and underserved farmers in California; authorization of one-time \$525 stipends to providers in the Emergency Child Care Bridge Program for foster youth; and \$800,000 to enable the California State Library to provide grants to local libraries to support the Lunch-at-the-Library Program during the summer of 2021.

Technical Clean-Up to Golden State Stimulus Program

[SB 86](#) was also sent to the Governor this week. This budget trailer bill contains technical clean-up to the Golden State Stimulus program, allowing the program to be implemented in a manner that ensures those in social safety net programs receive benefits for which they are eligible.

Rehiring Bill Secures Governor's Signature

The Legislature approved [SB 93](#) this week, a budget trailer bill that seeks to implement rehiring rights for hotel, airport, and building industry workers who were laid off for reasons related to the COVID-19 pandemic. Governor Newsom vetoed a similar measure in 2020, but SB 93 is narrower, containing language to make its provisions specific to the COVID-19 pandemic and establishing a sunset date of December 31, 2024. The Governor [announced](#) this afternoon that he has signed the rehiring bill into law.

DJJ Realignment Implementation Bill Awaits Further Action

[SB 92](#) is the trailer bill that contains two sets of corrective and supplemental provisions to facilitate the implementation of SB 823, the 2020 realignment of the Division of Juvenile Justice (DJJ) responsibility to counties. The first set of changes provides needed clarification and corrections to various aspects of SB 823. Importantly, SB 92 also proposes new Welfare and Institutions Code (WIC) 875, which is intended to provide juvenile courts – and all other involved agencies – with a framework and process for placing youth who previously would have been eligible for DJJ into an appropriate and responsive dispositional track that adequately addresses their programming and treatment needs. SB 92 was discussed in the full Assembly Budget Committee on Monday; it remains in that committee. We will provide updates as the measure advances.

Senate Democrats Release “Build Back Boldly” Budget Priorities

This week, Senate President pro Tempore Toni Atkins, along with Senate Budget Chair Nancy Skinner and Budget Subcommittee Chairs John Laird, Susan Eggman, Maria Elena Durazo, Bob Wieckowski, and Anna Caballero, presented Senate Democrats’ budget priorities for 2021-22 and beyond. Generally, the plan incorporates proposals that Senate Democrats say will build “a post-pandemic economy that extends prosperity for Californians,” with a number of specific proposals outlined in the plan, notably:

- Achieve **debt-free college** by expanding the Cal Grant Program and Middle Class Scholarship, as well as the current state tax deduction of student loan payments.
- Take steps to establish **universal access to early care and education for children ages 0 to 3**, including making a significant investment for up to an additional 200,000 childcare

slots for working families and increasing rates to achieve livable wages for childcare workers.

- **Address homelessness and housing affordability** by investing \$20 billion over five years to end the homeless crisis by funding local efforts to reduce homelessness, with multi-year support for local governments to provide transition services for those experiencing homelessness to exit to permanent housing, rental assistance, and homelessness programs that serve populations that are served by social safety net programs to direct funds to specific local needs; funding the Senate's housing package to facilitate approval of affordable housing development, as well as funding innovative approaches to expand affordable housing; creating a new "California Dream For All" first-time homebuyer assistance program.
- Build on the early action **wildfire prevention package** to provide a multi-year commitment to address the wildfire crisis.
- Address and **mitigate the impacts of drought** with a \$2 billion investment in drinking water, local water supply, agriculture water supply, and water efficiency investments, among others.
- Invest in **health care access and affordability** by reducing deductibles and co-pays for Covered California policies, expanding access to Medi-Cal to all income eligible Californians, regardless of immigration status.
- Provide **financial support for small businesses and non-profits** through stimulus grants and other supports.
- Improve state systems, including **modernization and program improvements** for the Employment Development Department and the Department of Motor Vehicles, broadband infrastructure, and upgrading aging IT systems, among others.

Additionally, proposals within each budget subcommittee's purview also were outlined, as detailed below.

Budget Subcommittee No. 1 on Education – maximizing pay-down of K-12 and community college deferrals, providing additional support for school pension stabilization, supporting mental health, learning loss, and other pandemic related impacts; eliminating planned reductions to UC and CSU and increase funding for expanded enrollment at US and CSU; finally, \$1 billion for to fund public library facilities upgrades and modernization projects and providing ongoing sustainable funding for public libraries.

Budget Subcommittee No. 2 on Resources – crafting a Greenhouse Gas Reduction Fund (GGRF) spending plan with a renewed targeted focus on

reducing GHG emissions and preparing California for climate change impacts; fund pollution reduction package that includes encouraging better waste management/recycling, use of less toxic pesticides, and safe and clean drinking water.

Budget Subcommittee No. 3 on Health and Human Services – HHS investments are proposed to be grouped in three primary areas as outlined below.

Strengthening the safety net

- Increasing CalWORKs support;
- Increasing SSI/SSP grants;
- Rent/utility relief and another round of Golden State Stimulus checks;
- Support for food (and diaper) banks;
- Expanded access to the California Food Assistance Program and Cash

Assistance Program for Immigrants;

- Fully fund placement and other programs that support California's foster youth;
- Funding for increased costs of child protective services, including children returning from out of state.

Aging investments

- Permanently restoring the 7 percent reduction to In-Home Supportive Services and ending funding suspensions for other aging programs;
 - Incentivizing counties to reach IHSS labor agreements; reforming the Medi-Cal asset test; simplifying the CalFresh application process for seniors and persons with disabilities;
 - Increased funding for senior nutrition programs and expansion of CalAIM meal-related benefits;
 - One-time funding for operational subsidies for residential care facilities that would build off the Governor's proposal to rehab these facilities;
 - Double the Governor's proposal for training geriatric health care providers
- Public health investments

- Recommitting investment in state and local public health infrastructure;
- Developing a coordinated strategy to reduce preventable diseases and transmission of infectious diseases;
- Developing a public health workforce that can cross-train in multiple public health priorities;
- Maintaining diagnostic and epidemiological capacity built up during the pandemic and reorienting to other pressing public health needs when the emergency ends;
- Investing in public health strategies to address health disparities, including enhanced data collection

Budget Subcommittee No. 4 on General Government – support for an equitable recovery by expanding the CalEITC and funding non-profit groups serving unbanked and underbanked Californians, among others.

Budget Subcommittee No. 5 on Corrections, Public Safety, Judiciary, Labor, and Transportation – *This subcommittee with wide-ranging policy jurisdictions offers investments across four broad categories.*

Workforce

- Addressing pandemic-induced economic inequity
- Expanding enforcement programs protecting against wage theft, dangerous health and safety conditions in the workplace, and the right to seek representation;
- Expanding high road training partnerships (H RTP) to increase job training and apprenticeship opportunities for historically excluded communities;
- Increasing investments in climate resiliency, transportation-related and green infrastructure, and other demand sectors through H RTP

Access to Justice

Make following investments to protect essential legal service resources:

- \$10 million one-time for pandemic expenses and the temporary increase in dependency counsel caseloads and up to \$30 million ongoing to correct for any shortfall in federal funding.
- \$50 million ongoing for legal aid services.
- \$16.5 million to the County Law Libraries to backfill lost revenue due to pandemic.
- \$7 million ongoing for a court reporter transcript rate increase.

Additionally, the Senate proposal would direct courts to hire family law and civil court reporters for all cases involving indigent litigants.

Justice Reform

- Increased CDCR oversight
- Seeking Administration's commitment to a long-term prison infrastructure plan
- Cost-free remote communications for incarcerated during pandemic;
- Sufficiently resource new HHS Office of Youth and Community Restoration to successfully serve all youth across the juvenile justice continuum
- One-time allocation of \$75 million for career development, family reunification, and other local support for individuals to remain out of the justice system and to eliminate barriers to employment

Fairness and Equity for Court Users

- Reduce court-imposed debt on low-income residents (fines and fees)
- Address court backlogs
- Prioritize efficient and equitable access to court services

- Protect the privacy and legal rights of all litigants
- Offer quality access to court services in-person and remotely with no cost to users

The Senate Democrats' plan – see more details [here](#) – clearly sets out the upper house's spending priorities as the next phase of budget deliberations approaches. Given the considerable one-time resources available to the state, it is likely the Assembly will soon put out its own framework for recommended spending decisions. We will keep you apprised in the days ahead.

Two Administration of Justice Bills to Note

The statewide county associations – CSAC, UCC, and RCRC, have joined forces to advocate on two justice-related measures that may sound familiar to readers. Each is a re-introduction of a measure from the recent past.

SB 493 (Bradford) – JJCPA Redirection

This measure is a reintroduction of AB 1007 (Jones-Sawyer) from 2020. It proposes to do all of the following: redirect Juvenile Justice Crime Prevention Act (JJCPA) funds, revise the composition of local Juvenile Justice Coordinating Councils, and recast various elements of required multiagency juvenile justice plans. Sponsored by various juvenile justice advocate groups, the bill appears to overlook the fact that this program – originally established in 2000 – was realigned in 2011 Realignment. The specific provision in the measure that would require at least 95 percent of a county's JJCPA funds be redirected to either a non-law enforcement county entity or to a community-based organization requires careful analysis of any constitutional limitations on repurposing this revenue. Given that JJCPA represents a long-standing, stable support for local systems, it is particularly untimely to disinvest in juvenile probation considering the July 1 implementation of DJJ Realignment. The county coalition – along with the Chief Probation Officers of California – is opposed to this measure. SB 493 is scheduled for hearing in the Senate Public Safety Committee on April 20.

SB 586 (Bradford) – Criminal Justice Fees and Fines

SB 586 proposes to eliminate just over 60 court-related fees and fines along with any unpaid debt associated with previously levied fees. This measure addresses dozens of fine and fee authority provisions that were originally slated for elimination in SB 144 (Mitchell, 2019). On this latter bill, its scope was reduced down to approximately two dozen criminal justice administrative fees and enacted as AB 1869, a 2020-21 trailer bill that also appropriated a limited-term backfill of \$65 million in recognition of counties' revenue loss. The Legislature has taken various actions in recent years to reverse trends of previous decades that placed increasing financial burdens on court users and

those with criminal justice system involvement, citing the real-life and often financial devastating impacts court-ordered debt can have on those who often can least afford it.

The county coalition comprised of CSAC, UCC, and RCRC has been in conversation with the author's office about the measure and has expressed – as was the case with SB 144 – our concerns about the bill's county fiscal impact, including its potential to negatively affect counties' ability to meet their fine and forfeiture Maintenance of Effort obligations. The author's office has committed to push for a backfill to offset associated revenue loss, and we will continue our cooperative efforts with the author's office and sponsors to address county fiscal concerns. SB 586 passed out of the Senate Public Safety Committee this week and next will be heard in the Senate Appropriations Committee.

CalAIM 1915(b) Waiver Proposal

DHCS released its [overview](#) last week of its CalAIM 1915(b) waiver proposal. Currently, California's Section 1915(b) waiver authorizes the Specialty Mental Health Services program while other Medi-Cal managed care programs are authorized under California's current Section 1115 demonstration. Effective January 1, 2022, the CalAIM Section 1915(b) waiver will authorize nearly all of California's managed care programs. DHCS is seeking public comment on the 1915(b) concurrent with the 1115 waiver comment (through May 6, 2021).

The following outlines the components of the CalAIM 1915(b) waiver proposal:

- Medi-Cal Managed Care (MCMC), including allowing Medi-Cal beneficiaries in selected County Organized Health System (COHS) counties to enroll in a Program of All-Inclusive Care for the Elderly (PACE) independent of the COHS MCP
- Dental Managed Care
- Specialty Mental Health Services
- Drug Medi-Cal Organized Delivery System (DMC-ODS)
- Mandatory Enrollment of Additional Aid Code Groups and Populations in Medi-Cal Managed Care, effective January 1, 2022
- Mandatory Enrollment of Dual Eligibles in Medi-Cal Managed Care, effective January 1, 2023
- FFSS Enrollment
- Pharmacy benefit carved out of benefit package, TBD
- Multi-Service Senior Program (MSSP) carved out in CCI counties, specialty mental health services carved out for Medi-Cal members enrolled in Kaiser in Solano and Sacramento counties, effective January 1, 2022
- MCMC

- Major organ transplants included in the benefit package, effective January 1, 2022
- Institutional long-term care services included in the benefit package, effective January 1, 2023
- Specialty Mental Health Services: 1) updated criteria for services for adults and beneficiaries under age 21; 2) Peer support specialist services; 3) Family Unification Response System (FURS); 4) Families First presentation Services Act (FFPSA), effective January 1, 2022
- Specialty Mental Health Services: 1) transition from a cost-based to a rate-based reimbursement approach, effective no sooner than July 1, 2022; 2) DMC-ODS updated criteria for services for adults; 4) peer support specialist services; 5) Contingency Management services; 6) additional program improvements, effective January 1, 2022
- DMC-ODS transition from a cost-based to a rate-based reimbursement approach, effective no sooner than July 1, 2022

Medi-Cal Managed Care Plan Reprocurement

On April 13, DHCS [released a memorandum](#) to counties and managed care plans (MCPs) participating in the upcoming procurement of commercial Medi-Cal MCPs. The memo provides details on an optional county letter of support for potential MCPs to include as part of their Request for Proposal (RFP) submission. The optional letter, which must be included with the final RFP to be part of the evaluation and scoring process, demonstrates the county's support for the MCP.

The memo identifies and takes into account the counties that submitted a preliminary letter of interest or a full letter of intent on or before March 31 for potentially changing the MCP model type operating in the county. Counties that only submitted a preliminary letter of interest must submit a full letter of intent by April 30, but a county letter of support can still be submitted for these counties.

DHCS will evaluate an RFP submission without a county letter of support. A letter is only applicable for counties where DHCS is procuring more than one commercial plan. Therefore, a county letter of support is not applicable for County Organized Health Systems (COHS) or Two-Plan model counties.

DHCS intends to release the final RFP in late 2021. Contract awards are anticipated in mid-2022, and MCP operational readiness activities will begin shortly thereafter. If MCPs successfully demonstrate operational readiness, implementation is scheduled to begin on January 1, 2024