

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: June 11, 2021

State Budget Negotiations ... Are Going

Although the June 15 budget deadline is but a few days away, very little has been reported out of the negotiations taking place between the Governor and legislative leaders – suggesting that some distance still separates the parties. In the last 24 hours, the Legislature's approach to meeting the June 15 deadline and making some additional space to continue conversations have become more clear. First, the Legislature released in the wee hours of yesterday morning its agreed-upon version of the budget – the two-house agreement we have previously described – in [SB 112](#). Last night, two identical vehicles appeared in print ([AB 128](#) and [SB 128](#)), which contain all of the provisions in SB 112 with some technical amendments as well as the addition of funding for the recall election (discussed in more detail below).

The full Senate budget committee meets on Monday morning to consider AB 128; from there, both houses are expected to pass the “budget” Monday afternoon. A Budget Bill, Jr. (a vehicle that will make additional adjustments to reflect where the final budget package lands following an agreement with the Governor) and additional trailer bills will be passed at a later date, reflecting a more developed agreement among the two houses and the Governor. (SB 128 is a duplicate copy of the budget bill the houses will act on (AB 128) and is not currently expected to move. It is customary for budget bills to have duplicate versions in each house.) HBE will continue to keep you apprised as events unfold.

In related news ... in addition to the specific 2021-22 budget actions we reported last week, the Legislature's budget includes a package of changes to the CalWORKs program, summarized below.

CalWORKs

§ \$1 million in 2021- 22; \$94.8 million in 2022-23; and \$179.2 million in 2023-24 and ongoing to align the applicant CalWORKs Earned Income Disregard (EID) with the recipient EID.

- \$75 million in 2021- 22; \$150 million in 2022-23; and \$257 million in 2023-24 and ongoing to fund intensive case management for CalWORKs Employment Services.

- \$30 million ongoing General Fund for the CalWORKs Home Visiting Program.
- \$10 million to reforming CalWORKs Aid to pregnant parents, that would allow supplemental pregnancy aid from the date of proof of pregnancy and increase the current pregnancy supplement from \$47 to \$100.
- \$3 million in 2021-22 and \$10 million in 2022-23 for training of county CalWORKs staff on racial equity and implicit bias.
- \$2 million General Fund one-time for a statewide CalWORKs promotional media campaign.
- Trailer bill language (TBL) that would eliminate the work participation rate penalty for counties.
- TBL to allow identity verification to occur electronically in the CalWORKs program.
- TBL to stop the CalWORKs time clock when an adult has good cause for not participating as the county is unable to provide services.

Legislature Makes Moves on Recall Election

On Thursday, the Department of Finance sent a letter to the Joint Legislative Budget Committee (JLBC) to inform them that counties' estimated costs of the recall totaled \$212 million, an estimate that does not include state costs incurred by the Secretary of State's office. Shortly after the release of the letter, a statement from Assembly Speaker Anthony Rendon and Senate President pro Tempore Toni Atkins was released: "Our local communities don't deserve to be saddled with unnecessary recall costs as they work to recover from the pandemic. The Legislature will lift the burden from their plate and include \$215 million in the budget bill to have the state cover the costs. In addition, this funding will allow for an earlier recall election. By providing counties with the funding they need, we can waive the required period for the Joint Legislative Budget Committee to review the election costs."

Under current law, the JLBC has 30 days to review costs associated with the election. While the JLBC now has information about counties' costs, it does not yet have costs for the Secretary of State (which will be smaller). [AB 128](#) (Ting), the legislative vehicle for the Legislature's budget plan, was amended late Thursday evening to include language appropriating the \$215 million for costs associated with the recall, as well as intent language outlining that the Legislature consider additional resources based on reports from counties regarding final cost shortfalls. Statutory changes to allow the JLBC to waive the 30-day review of recall election costs are now contained in a new budget trailer bill, [AB 152](#). Note that the California Association of Clerks and Elections Officials (CACEO) have raised concerns about the timing of the election, citing the need to order election materials as well as federal requirements to send out ballot materials to military and overseas voters 45-60 days prior to the election.

For more, check out this [story](#) from the *Los Angeles Times*.

CalOSHA Regs Will Comply with CDC Guidance, Eventually

In an attempt to coordinate its regulations with anticipated new guidance from the California Department of Public Health, the California Division of Occupational Health and Safety (Cal/OSHA) voted to reverse recent changes to its emergency COVID-19 workplace rules and return with a new proposal after the state's reopening on June 15.

During a special meeting convened on Monday evening, the Cal/OSHA Board indicated it would amend its rules quickly to conform with guidance from the Centers for Disease Control and Prevention that require masks for vaccinated individuals in limited indoor settings, including airports, hospitals, and nursing homes, among others. Unvaccinated individuals would be obligated to continue wearing masks indoors, but verification of vaccination status would remain voluntary.

The changes are expected to be considered by the Cal/OSHA Board at their meeting on June 17. Once adopted, the Office of Administrative Law (OAL) would have 10 days to review, making the new masking rules effective at the end of June. Until then, existing Cal/OSHA guidance requiring masks indoors, regardless of vaccination status, are in effect.

Update on Plans for June 15 Statewide Reopening

In advance of the June 15 statewide reopening, the Governor's Office released new information today about changes to executive orders, the Stay-at-Home Order, and the Blueprint for a Safer Economy.

The Governor is terminating the Stay-at-Home Order that was implemented early in March 2020 and retiring the Blueprint for a Safer Economy. Effective June 15, restrictions such as physical distancing, capacity limits, and the county tier system will end. A copy of the order terminating the Stay-at-Home Order and the Blueprint for a Safer Economy can be found [here](#).

Additionally, the Newsom Administration established a timeline and process to continue winding down the various provisions of the state's COVID-related executive orders. To ensure that impacted individuals and entities have time to prepare for the changes, the provisions will sunset in phases, beginning June 30, in July and in September. By the end of September, nearly 90 percent of the executive actions taken since March 2020 will have been lifted. A copy of the order rolling back additional pandemic order provisions can be found [here](#).

Finally, the California Department of Public Health released a [new state public health officer order](#) that goes into effect on June 15. The order includes requirements around face coverings; details requirements for mega events (which will be reviewed no later than September 1, 2021); and clarifies that requirements

previously issued for K-12 schools, child care programs, day camps, and other supervised youth activities remain in effect.

HCD Releases Much Anticipated Prohousing Designation Regulations

The California Department of Housing and Community Development (HCD) [released its proposed regulations](#) this week and is ready to begin the emergency regulatory process for the Prohousing Designation Program. Recall, the 2019 Budget Act required HCD to develop emergency regulations by July 1, 2021 that would create an incentive for cities and counties to take meaningful actions to accelerate housing production at the local level. This specific incentive is the awarding of “bonus points” for purposes of existing grant programs, including, but not limited to, the Infill Infrastructure Grant Program, the Affordable Housing and Sustainable Communities Program, and the Transformative Climate Communities Program.

To qualify for the addition points, HCD would have to designate a city or county as “pro-housing” based on a set of principles and criteria that includes accelerating housing production, facilitating strategic and equitable communities and accounting for the rural, and suburban and urban differences in California’s diverse communities. Prohousing cities and counties must also commit to refraining from enacting laws, developing policies, or taking other local governmental actions that inhibit or constrain housing production, such as moratoriums on development; downzoning; and unduly restrictive or onerous zoning regulations, development standards, or permit procedures.

After a five-day period of the HCD website, the regulations will be delivered to OAL for a 10-day administrative review. Once approved by OAL, the regulations will be active. HCD will then begin the process of converting the regulations through the normal rulemaking process, including a public comment period.

CalAIM Documents Released

On June 4, the Department of Health Care Services (DHCS) released finalized documents and supporting resources for the Enhanced Care Management (ECM) and In Lieu of Services (ILOS) components of CalAIM. The documents are posted on the ECM and ILOS [webpage](#).

1. [Final DHCS-MCP ECM and ILOS Contract Template](#): standardized statewide requirements regarding the administration and delivery of ECM and ILOS that will be appended to DHCS-MCP model contracts.
2. [Final ECM and ILOS Standard Provider Terms and Conditions](#): standardized contract requirements that MCPs will be required to include in contracts with ECM and ILOS providers.
3. [Final CalAIM ECM and ILOS Model of Care Template](#): the format for each MCP to describe how it plans to design, implement, and administer ECM and ILOS.

4. [Final ECM Key Design Implementation Decisions](#): summarizes final ECM design and implementation decisions related to three key implementation areas: ECM & ILOS implementation timeline, ECM populations of focus definitions, and ECM overlap with other programs and exclusions.
5. [ECM and ILOS Change Memo](#): summarizes public comments and key policy changes DHCS made to ECM and ILOS requirements documents based on stakeholder feedback.
6. [Updated ECM and ILOS Frequently Asked Questions \(FAQs\)](#): provides additional guidance and clarifications regarding ECM and ILOS policies and operational procedures.
7. [Providing Access and Transforming Health \(PATH\) Supports FAQs](#): provides general information about PATH, funding uses, and how PATH relates to CalAIM
8. [CalAIM Model of Care Cover Note](#): provides additional information regarding model of care requirements and the submission and approval process.

BSCC Approves SB 823 Grant Funding Recommendations

The Board of State and Community Corrections [met yesterday](#) and took action, among other items, to approve staff recommendations regarding allocation of approximately \$9 million in SB 823 Youth Programs and Facilities Grant Funds. (See related materials as follows: [staff memo](#) | [funding recommendations](#) | [grant proposal summaries](#).) The grant funding, appropriated in 2020 DJJ Realignment measure (SB 823), is dedicated to support local infrastructure-related needs and improvements to assist counties in developing a continuum of care for the newly realigned population.