

September 28, 2021

Editor's Note on UCC Legislative Updates During Fall Break

As you are aware, the Legislature adjourned on September 10 and is currently on its fall break between the first and second years of the 2021-22 legislative session. UCC will publish its updates on an as-needed basis rather than a weekly basis during the remainder of the calendar year. Recall that the Governor has until October 10 to make signing and veto decisions on all measures that were in his possession on or after the last day of session. In the meantime, do not hesitate to reach out to the UCC team with any questions.

Governor Signs Final Round of 2021-22 Budget-Related Bills

On Thursday of last week, Governor Newsom signed the final round of 2021-22 budget and trailer bills. At the links that follow, feel free to peruse HBE's summaries of the main provisions of the full set of 49 (!) measures that represent the totality of *expenditure* (budget bill and budget bill, jrs. – five total) and *implementing* (trailer bills – 44 total) measures necessary to enact the extraordinary 2021-22 state budget. A summary of the first round of measures enacted in July can be found [here](#); the summary of the final round of budget-related bills voted on in September and signed into law last week can be read [here](#).

LAO Issues New Monthly State Revenue Report... And the News is Good!

This week, in a new [report](#), the Legislative Analyst's Office (LAO) suggests that California state revenues will beat budget projections again this fiscal year by an estimated \$5 billion to \$25 billion. The LAO has developed a [model](#) to provide a monthly update of the forecast of current year collections from the state's "big three" revenues (personal income, sales, and corporation taxes) to help improve forecast accuracy.

The LAO tempers its rosy forecast by noting that income tax volatility continues to make forecasting state revenues challenging.

In related news, the Department of Finance released its monthly [Finance Bulletin](#) for September, noting that General Fund cash receipts for the first two

months of the 2021-22 fiscal year were \$3.527 billion above the 2021-22 Budget Act forecast. Cash receipts for the month of August were \$1.986 billion above forecast. Personal income tax revenues for the month were \$1.344 billion above budget estimates. Sales and use tax revenues for August were \$628 million above budget estimates. Corporation tax receipts for August were \$46 million below forecast.

Finally! Census Bureau Data Released

State and local officials tasked with redistricting breathed a sigh of relief recently when the Statewide Database released the official redistricting database for 2021.

The official redistricting database is now publicly available on the Statewide Database's [website](#) and contains the following datasets:

- Census data from the P.L.94-171 Redistricting Data File that were adjusted to reflect the reallocation of data from certain incarcerated persons to their last residential address.,
- Citizen Voting Age Population data from the 2015-2019 release of the American Community Survey on 2020 Census Blocks
- Statement of Registration and Statement of Vote Data from statewide elections on 2020 Census Blocks

The P.L. 94-171 redistricting data is a tabulation from the decennial census that includes counts of population by race, ethnicity (Hispanic or Latino origin), voting age, housing occupancy status, and group quarters population, all at the census block level.

Governor Newsom Signs Slew of Elections Bills

Governor Gavin Newsom recently signed a number of elections-related bills, including [AB 37](#), by Assembly Member Marc Berman, which makes vote-by-mail permanent for every California registered voter. In addition, the Governor also signed [SB 594](#), by Senator Steve Glazer, which provides statutory direction for elections officials to adjust deadlines based on any future changes to deadlines associated with final map approval by the California Citizens' Redistricting Commission and includes provisions that clarify that county supervisorial and city council district maps approved by resolution or ordinance take effect immediately.

Last week, the California Supreme Court set a deadline of December 27, 2021 for the California Citizens' Redistricting Commission to finalize district maps for Congress, State Senate and Assembly, and State Board of Equalization districts. Recall that the Commission had sought an extension of their deadline to January 14, 2022 due to delays in receiving data from the United States Census Bureau. California Secretary of State Dr. Shirley Weber, along with a number of county elections officials, opposed that request based on the practical challenges such a delay would impose on conducting the June 2022 statewide primary election. The updated writ of mandate can be found [here](#).

Governor Issues Telehealth Executive Order

Governor Gavin Newsom signed Executive Order **N-16-21** on Monday to extend the provisions of a prior order that facilitates telehealth services by enabling medical providers to conduct routine and non-emergency medical appointments through telehealth without the risk of being penalized.

The executive order extends the previous order's provisions relaxing certain state privacy and security laws for medical providers, which were set to expire on September 30, 2021, through the end of the state of emergency or until the original order is rescinded or modified.

Telehealth Advisory Workgroup Meets

The Department of Health Care Services (DHCS) kicked off its Telehealth Advisory Workgroup on September 22. Pursuant to AB 133, the 2021-22 health trailer bill, DHCS is required to convene an advisory group consisting of consultants, subject matter experts, and other affected stakeholders to provide recommendations to inform DHCS in establishing and adopting billing and utilization management protocols for telehealth modalities to increase access and equity and reduce disparities in the Medi-Cal program.

The first workgroup meeting focused on the purpose and scope of the workgroup, an overview of Medi-Cal telehealth coverage and data, and a review and discussion of DHCS's guiding principles for telehealth. DHCS noted that the scope of the workgroup does not include: 1) telehealth beyond existing covered benefits, 2) payment parity and reimbursement, 3) additional telehealth modalities.

While DHCS recognizes the benefits of telehealth, they noted several concerns, including: 1) expanded access to telehealth could perpetuate health inequities and disparities, 2) improved access could lead to unnecessary or duplicative care, 3) inability of telehealth providers to conduct physical exams or diagnostic testing could pose quality and patient safety risks without appropriate guardrails, 4) expansive coverage of telehealth could increase risks of fraud and abuse, 5) limited research exists regarding the quality of care for individuals who receive telehealth v. in-person care. These concerns are driving DHCS's focus on developing utilization management, coding and billing, and monitoring policies and protocols for telehealth.

DHCS will be posting meeting materials on its Telehealth Advisory Workgroup [website](#). The Workgroup members, future dates, and meeting agendas and materials can be found on the website. However, the September 22 meeting materials (including the guiding principles) have not been posted as of the time of this writing. The next meetings are scheduled for October 6 and 20.

Incompetent to Stand Trial (IST) Solutions Subgroups Begin Meeting

As previously reported, the Incompetent to Stand Trial (IST) Solutions Workgroup has divided into subgroups focused on three areas: 1) early access to treatment and stabilization for individuals found IST on felony charges (Working Group 1), 2) diversion and community-based restoration for felony ISTs (Working Group 2), and 3) initial county competency evaluations (Working Group 3). Those working groups have begun meeting to brainstorm and discuss potential recommendations.

Working Group 1 met September 21 and will be meeting again September 28 and October 26. The goal of the working group is to identify short-term solutions (that can be implemented by April 1, 2022) to provide early access to treatment and stabilization in jail or via jail-based competency treatment (JBCTs) in order to maximize re-evaluation, diversion or other community-based treatment opportunities and reduce length of stay.

Working Group 2 met September 24 and will meet again October 1 and 22. The goal of the working group is to identify short-term (able to be implemented by April 1, 2022), medium-term (able to be implemented by January 10, 2023) and long-term (able to be implemented by January 10, 2024 or January 10, 2025) strategies to implement diversion and community-based restoration programs.

Working Group 3 met September 17 and 24 and will meet again October 15. The goal of this group is to reduce the number of individuals found IST by strengthening the quality of the initial county competency evaluation (aka Alienist Evaluations).

The expectation is that the Working Groups will provide concrete recommendations to the larger IST Solutions Workgroup by the end of October, informing the recommendations to advance alternatives to placements in the Department of State Hospitals restoration of competency programs. Those recommendations – including short, medium, and long-term – are due by November 30 to the California Health and Human Services Agency and Department of Finance.

Upcoming Homekey NOFA Webinar

The California Department of Housing and Community Development (HCD) announced the release of \$1.45 billion in Homekey grant funds earlier this month. Recall that Homekey grant funding will be made available to cities and counties, public housing authorities, and Tribal Entities within California. Funding can be used to create a broad range of housing types, including but not limited to hotels, motels, single-family homes, multifamily apartments, manufactured housing, commercial properties, and other existing buildings, and to convert them to Permanent or Interim Housing for the target population.

Registration is now open for a Notice of Funding Availability **webinar** scheduled for Thursday, September 30 from 10:00 a.m. to 12:00 p.m.