

---

MEMORANDUM

---

**To:** East Contra Costa Fire Protection District  
**From:** Townsend Public Affairs  
**Date:** April 2, 2020  
**Subject:** Monthly Report for ECCFPD — March 2020

---

**State Legislative Update**

Both the Governor and the Legislature have been singularly focused on responding to the COVID-19 crisis this month. While the State has been actively taking steps to respond to the spread of the coronavirus for several months, emergency response actions began on March 4 when the Governor announced a State of Emergency. According to the Governor's office, the Governor has taken 52 separate actions in response to the outbreak since the State of Emergency announcement. This list includes signing a \$1.1 billion emergency bill into law, announcing a statewide shelter in place directive, and issuing 15 executive orders.

On March 16, the Legislature passed two COVID-19 relief bills equaling \$1.1 billion. The Legislature then voted to suspend the current legislative session until April 13, however, there has been speculation that this date will be extended. Legislators will continue to work from their District offices and remain in close contact with the Newsom Administration so that they are able to respond to any needs that may require legislative action. Although the Legislature is still constitutionally obligated to pass a State Budget by June 15, lawmakers and the Department of Finance have indicated that there may not be a May Revise to the Governor's January Budget Proposal. All other deadlines for legislation, except the need to formally adjourn by August 31, are subject to change and only require a minor rule change by a majority.

Below are the upcoming tentative dates for the Legislature.

**April 13:** Legislature scheduled to reconvene

**April 24:** Last day for policy committees to hear and report to fiscal bills to fiscal committees

**COVID-19 Relief Package Summary**

On March 16, Governor Newsom sent a letter requesting the Legislature to take emergency action regarding COVID-19. In response, the Legislature introduced and passed SB 89 and SB 117. Below is a summary of the two bills:

SB 89 (Budget Committee): Provides up to approximately \$1 billion from the current year budget to carry out actions related to the Governor's March 4 State of Emergency announcement. The measure will allow the Governor to expend funds to increase hospital bed capacity, procure hotel and motel space to house homeless individuals, and provide funds to clean childcare facilities. Since the bill's passage, \$150 million of the available funds have been made available for local emergency homelessness actions.

The Assembly approved the bill on a 68-0 vote and the Senate approved it on a 32-0 vote.

SB 117 (Budget Committee): Provides emergency school funding to ensure all K-12 districts will receive full funding for the fiscal year regardless of closures in response to the COVID-19 outbreak.

The Assembly approved the bill on a 68-0 vote and the Senate approved it on a 31-0 vote.

Some lawmakers over the age of 65 refrained from voting to comply with the Governor's directive for seniors to remain in their homes to slow the spread of the coronavirus.

### LAO State Budget Update

On March 18, the Legislative Analyst's Office (LAO) released a high-level analysis of the State fiscal outlook in light of the COVID-19 crisis. The report notes that the economic uncertainty caused by the emergency and downward financial market trends threatens the State's near-term fiscal outlook. However, the report also notes that the State has a strong fiscal footing to respond to the emergency and could address budget shortfalls with the State's current budget reserves.

The LAO reports that the financial markets indicate lower anticipated capital gains-related tax revenue which is a significant source of the State's overall revenue. The general health of the stock market and the economy during the LAO fiscal outlook was well below the Department of Finance's assumption prior to the virus outbreak. This will likely result in actual revenues being several billion dollars less than what the Governor's January Budget assumed.

The report also states that the likelihood of a recession has increased due to the widespread halt of economic activity within a short period of time. However, personal income and corporation tax revenues will be more directly impacted by the type of recession and recovery efforts. These revenues will better determine the State's long-term fiscal outlook, but at this point, it is still too soon to accurately predict.

Lastly, the report states that the volatile financial marketplace, rapidly changing economic status, and the extension of the tax filing due date will complicate the estimate for this year's State Budget. The LAO also indicated that the Legislature may need to incrementally pass a budget and then wait to assess the State's fiscal capacity before passing additional spending measures.

### Governor's Executive Orders

The Governor has issued 16 executive orders related to the COVID-19 outbreak. Below is a summary of the 15 orders, including the date the order was signed and the issue topic:

- **March 12 – Disability Insurance:** The order removes the waiting period for unemployment and disability insurance for Californians who lose work as a result of the COVID-19 outbreak. The order also allows the state to obtain hotels and medical facilities.

- **March 13 – Education:** The order ensures that schools retain state funding regardless of physical closures.
- **March 16 – Evictions:** The order allows local governments to halt evictions for renters and homeowners, slows foreclosures, and protects against utility shutoffs for Californians affected by COVID-19.
- **March 16 – Healthcare Facilities:** The order aims to protect the health and safety of those most vulnerable to COVID-19 residing at health care, residential and non-residential facilities licensed by the state.
- **March 17 – Transportation:** The order aims to ensure vital goods can be delivered to retailers in a timely manner during the COVID-19 outbreak by easing restrictions on commercial drivers engaged in support of emergency relief efforts.
- **March 18 – Education:** The order waives statewide testing for approximately 6 million students in K-12 public schools.
- **March 18 – Social Services:** The order ensures that Californians who rely on Medi-Cal, CalFresh, CalWORKS, Cash Assistance for immigrants and in-home supportive services (IHSS) will not lose access due to COVID-19.
- **March 18 – Homelessness:** The order provides flexibility to local governments to spend their emergency homelessness funding on immediate solutions tailored to combatting COVID-19 and its impacts on the homeless population. Specifically, the order provides flexibility in Homeless Emergency Aid Program (HEAP) and Homeless Housing and Assistance Program (HHAP) funding to address COVID-19 impact on homelessness. The order also suspends The California Environmental Quality Act (CEQA) for any project using HEAP, HHAP, or SB 89 dollars.
- **March 20 – Elections:** The order permits vote-by-mail procedures to be used in three upcoming special elections to promote public health and safety during the COVID-19 outbreak.
- **March 21 – Healthcare:** The order provides the State with the ability to increase the health care capacity in clinics, mobile health care units and adult day health care facilities.
- **March 24 – Correctional Facilities:** The order directs the California Department of Corrections and Rehabilitation to temporarily halt intake of inmates and youth into the State’s 35 prisons and four youth correctional facilities.
- **March 27 – Courts:** The order enables the Chief Justice to take emergency actions for the State’s courts to be able to conduct business during the COVID-19 pandemic.
- **March 27 – Evictions:** The order bans the enforcement of eviction orders for renters affected by COVID-19 through May 31, 2020.

- **March 30 – Healthcare:** The order temporarily expands the health care workforce and allows health care facilities to staff at least an additional 50,000 hospital beds to treat COVID-19 patients.
- **March 30 – Small Businesses:** The order allows the California Department of Tax and Fee Administration (CDTFA) to offer a 90-day extension for tax returns and tax payments for all businesses filing a return for less than \$1 million in taxes. That means small businesses will have until the end of July to file their first-quarter returns. Additionally, the order extends the statute of limitations to file a claim for refund by 60 days to accommodate tax and fee payers.
- **April 2 – Water Systems:** This order will restrict water shutoffs to homes and small businesses while the state responds to the COVID-10 pandemic.

#### Timeline of Other Major COVID-19 State Actions

Below is a timeline of other major relevant State actions that have taken place this month related to COVID-19:

- **March 4 – State of Emergency:** The Governor declared a State of Emergency to make additional resources available, formalize emergency actions already underway across multiple state agencies and departments, and help the state prepare for broader spread of COVID-19.
- **March 10 – Mass Gatherings:** The State directed mass gatherings be postponed or cancelled to slow the spread of the virus.
- **March 12 – Government Meetings:** The State issued guidance regarding local and state legislative bodies holding meetings via conference calls while still meeting state transparency and Brown Act requirements.
- **March 15 – Homelessness:** Governor Newsom announces a statewide initiative to deploy homeless shelter trailers, expediting the homeless movement into hotels and motels. The Governor also directed the closure or social distancing at bars and restaurants.
- **March 17 – National Guard:** The Governor placed the National Guard on alert to support COVID-19 community readiness efforts.
- **March 18 – Homelessness:** The Governor directed the first allocation of the \$500 million in emergency funding recently authorized by the Legislature for COVID-19 related activities – \$150 million for local emergency homelessness actions.
- **March 22 – Major Disaster Declaration:** The state secured a Presidential Major Disaster Declaration, which makes federal funding available to state and local governments for emergency protective measures.
- **March 24 – State Budget:** The Department of Finance sent a letter to Assembly and Senate Budget Committee Chairs indicating that they will not propose any modifications

to current State appropriations. The Department will be re-evaluating all budget changes within the context of a workload budget.

- **March 25 – Mortgage Payments:** Major financial institutions will provide a 90-day grace period for mortgage payments and will not negatively impact credit reports for Californians accessing payment relief.

### Property Tax Deadline

On March 21, a coalition of associations who represent local agencies, including the California Special District Association (CSDA), sent a letter to Governor Newsom urging him to retain the April 10 property tax deadline. Local governments rely on the timing of payments to provide critical services and would be detrimental to local funding. The letter goes on to state that local agencies are on the front lines of dealing with the pandemic and any loss of funding would have a serious impact on the ability to provide these services. Governor Newsom stated in a press conference on April 2 that discussions are currently taking place to address the concerns of local government.

### Split Roll

On April 2, the "Schools and Communities First" campaign reported submitting 1.7 million signatures to qualify for the November ballot. The campaign needs 997,139 verified signatures to qualify the amendment for the November California ballot. By submitting so many signatures, it is very likely the amendment will be qualified. The amendment would provide a split roll property tax change for most commercial and industrial property and could bring an additional \$12 billion to local communities and schools.

### Federal Legislative Update

In March, Congress dedicated the bulk of its work toward addressing the impacts of the COVID-19 pandemic. Throughout the month, Congress introduced and finalized three major economic stimulus packages in an effort to stabilize the economy. In a rare display of bi-partisanship, lawmakers worked together with U.S. Treasury Secretary Steve Mnuchin to implement legislation that will provide relief to industries and workers impacted by the pandemic.

The first bill, known as the "Phase 1" stimulus package, provides \$8.3 billion to fund coronavirus vaccine research and development, as well as authorizes \$7 billion in loans to small businesses. The "Phase 2" legislative package included nearly \$104 billion in funding and focused primarily on paid sick leave and unemployment benefits for workers and families. The final "Phase 3" package included a record \$2.2 trillion in funding, providing one-time direct payments of up to \$1,200 to most taxpayers as well as enhanced unemployment benefits for laid off workers. The package also includes \$500 billion in lending programs for businesses, cities, and states and a \$367 billion fund for small businesses.

House Speaker Nancy Pelosi (D-CA) and other lawmakers have suggested Congress will need to take additional steps to provide relief during the crisis. Speaker Pelosi highlighted that she hopes to provide free coronavirus testing and treatment, along with more money for state and local healthcare grants and food assistance. She also called for tougher safety standards for frontline workers as well. Both chambers of Congress will be in recess until April 20 but may still hold hearings in preparation for the introduction of the next round of COVID-19 related legislation.

## COVID-19 Relief Legislation

### *Phase 1: H.R. 6074 - Coronavirus Preparedness and Response Supplemental Appropriations Act*

The first coronavirus funding bill was signed into law by the President on March 6. The bill's focus was to increase funding to treat and prevent the spread of COVID-19. The \$8.3 billion package includes:

- \$3.1 billion for the Office of the Secretary of Health and Human Services
- \$950 million for state and local public health response to be released by the Centers for Disease Control and Prevention
- \$300 million to buy vaccines and treatments
- \$1.25 billion for international emergency response and activities
- Authorization for \$7 billion in loans to small businesses

### *Phase 2: H.R. 6201 - Families First Coronavirus Response Act*

The second funding bill was signed into law by the President on March 18. Phase 2 funding targeted relief for individuals, including paid family leave. Included in the bill was:

- \$250 million for the Department of Health and Human Services (HHS) programs for the elderly
- \$1 billion for food and nutritional assistance program programs including programs such as SNAP and WIC
- Sick Leave: Provides employees with guaranteed short-term sick leave for situations related to self-quarantine, caring for sick family members, as well as longer-termed FMLA sick leave
- Employer tax credits to reimburse employers to cover wages paid to employees while they are taking time off under the bill's sick leave and family leave programs
- Self-Employed tax credits which would provide a similar refundable credit against self-employment tax
- \$1 billion for emergency transfers to states in fiscal 2020 to process and pay unemployment benefits

### *Phase 3: H.R. 748 – CARES Act*

This bill was signed into law by the President on March 27. Funding for the bill will cost \$2.2 trillion, and it is the largest economic stimulus package ever undertaken by the federal government. The bill focused on providing relief to individuals, businesses and industries. Funding including numerous allocations such as:

- **Coronavirus Relief Fund** – \$150 billion that will provide state, local, and tribal governments with additional resources. The amount payable to each State shall be equal to the relative population proportion. Local Governments are defined as a county, municipality, or other unit of general government below that State level *with a population that exceeds 500,000*.
- **Disaster Relief Fund** – \$45 billion to provide for the immediate needs of state, local, tribal, and territorial governments, as well as private non-profits, to protect citizens and help them recover. Reimbursable activities may include:

- medical response
  - personal protective equipment
  - National Guard deployment
  - coordination of logistics
  - safety measures
  - community services nationwide
- **Personal Protective Equipment** - \$178 million for the Department of Homeland Security to ensure front line federal employees have personal protective equipment. This also includes \$100 million to FEMA Assistance to Firefighters for personal protective equipment for first responders.
  - **Emergency Management Performance Grants** – \$100 million for state, local, territorial, and tribal governments to support coordination, communications, and logistics.
  - **Accountability** – \$80 million to support a new Pandemic Response Accountability Committee to provide transparency to the public and coordinate oversight of funds provided in this legislation.
  - **Army Corps of Engineers** – \$70 million to the U.S. Army Corps of Engineers (USACE) to prepare for and respond to the coronavirus by providing additional equipment, licenses. Funding will also improve capacity for remote operations of USACE projects and activation of Emergency Operations Centers nationwide.