
MEMORANDUM

To: City of Beaumont
From: Townsend Public Affairs
Date: July 17, 2020
Subject: Legislative Report for the City of Beaumont

State Legislative Update

Due to the increase in COVID-19 cases the Legislature has extended their summer recess to July 27. They were originally going to return on July 13 and therefore there is no change in status of pending legislation. There is speculation that leadership will limit bills to COVID 19 related matters or simply impose a bill limit per Member, however that has yet to be confirmed. The Speaker's office sent a memo regarding remaining legislation stating that members will need to work with the Senate policy committees where bills are pending to advance those bills and meet all the legislative deadlines, just as Senators will need to do with Assembly policy committees. Committee chairs will ultimately determine the agenda in their committees.

Below are the upcoming deadlines for the Legislature:

July 27 – Legislature reconvenes from Summer Recess

July 31 – Last day for policy committees to hear and report fiscal bills to fiscal committees

August 7 – Last day for policy committees to meet and report bills

August 31 – Last day for each house to pass bills

Governor's COVID-19 Action Summary

Governor Newsom has continued his press briefings to update the State on the status of COVID-19 in California. With counties re-opening across the State, COVID-19 cases, as well as the positivity testing rate, have begun to increase. Specifically, in the last seven days, there has been a 45 percent increase in the number of positive cases, a 5.9 percent increase in the positivity rate, and a 45 percent increase in the number of hospitalizations in the last two weeks. This has resulted in the Governor taking more action to mitigate the spread of the virus by enacting a statewide face-covering order and re-closing certain business sectors in 19 counties throughout the State.

New Statewide and County Closures

On July 13, Governor Newsom announced that effective immediately, California is requiring the closure of some indoor business operations statewide, as well as additional indoor operations in

counties on Monitoring List for 3 consecutive days. All counties had to immediately close the indoor operations in the following sectors:

- Dine-In Restaurants
- Wineries and tasting rooms
- Movie theaters
- Family entertainment centers
- Zoos and museums
- Cardrooms

Additionally, bars, brewpubs, breweries, and pubs closed all operations both indoor and outdoor. Counties that have remained on the County Monitoring List for 3 consecutive days were required to shut down the following industries, unless they can be modified to operate outside or by pick-up:

- Fitness centers
- Worship services
- Protests
- Offices for non-essential sectors
- Personal care services (nail salons, tattoo parlors, etc)
- Hair salons and barbershops

County Attestation Process

In light of the increase in positive COVID 19 cases, the State has temporarily paused the county attestation process, until further notice.

Project Homekey

The Department of Housing and Community Development released the Notice of Funding Availability for Project Homekey. The program has \$600M available to local governments to purchase and rehabilitate housing, as well as hotels, motels, vacant apartment buildings, and other buildings and convert them into interim or permanent, long-term housing.

The available funding is broken down by region, based on the region's proportionate share of persons experiencing homelessness and extremely low-income renter households. Project Homekey will generally fund up to \$100,000 per door (as supported by an appraisal) with no match requirement. The per door amount can exceed \$100,000, but there would be match requirements, depending upon the exact amount requested. HCD will announce awards on a rolling basis, as applications can be submitted any time prior to September 29th. As a reminder, the funding from this program comes from a portion of funding that California received from the federal CARES Act, and as such, the funding needs to be expended by December 31, 2020.

Federal Legislative Update

Phase 4 COVID 19 Relief Package

Nancy Pelosi and Senate Majority Leader Mitch McConnell haven't started privately talking about the next relief bill, but McConnell is well on his way to publishing his Phase 4 proposal. Early reports are suggesting the Senate Republicans' relief proposal is starting to coalesce around the following proposals on a \$1 trillion package that would include:

- Liability protections for hospitals, schools, and businesses (retroactive to December 2019)
- Assistance for helping schools reopen

- Stimulus checks for households with incomes up to \$40,000
- A second round of PPP
- More funds for testing

In preparation, Minority Leader Chuck Schumer is pitching as much as \$350 billion to invest in communities of color during the pandemic. The funding would come from approximately \$200 billion of unspent funds from the CARES Act, Congress's "Phase 3". Additionally, TPA participated in a meeting with Speaker Pelosi, who signaled she would be open to compromising with Republicans on the size of expanded unemployment benefits (which expire at the end of the month) in a new package.

Fiscal Year 20/21 Appropriations

The House Appropriations Committee reported and marked up all 12 of their FY 2021 appropriations bills this week. Next week, House leadership plans to take up the first package of fiscal 2021 appropriations bills (H.R. 7608), including the Agriculture-FDA, Interior-Environment, Military Construction-Veterans Affairs, and State-Foreign Operations bills. Lots of House members hope to offer amendments on the floor. House Majority Leader Steny Hoyer hopes to have 96% of the bills passed out of the House by the time August recess begins, with the acknowledgement of Democratic concerns with Homeland Security funding.

There are some increases between FY2020 and FY2021 House proposed levels that seem astronomical – your eyes are not playing tricks on you! In addition to regular annual funds, the House Appropriations Committee also proposed an additional \$90 billion for some Transportation, Housing, and Environment line items to cover additional coronavirus-related expenses, and those are reflected in the totals below.

We will continue to fight for all priority programs. Generally speaking, the House and Senate will finalize funding levels for each line item located somewhere between their two proposals, so we fight for the Senate and the House to propose as high of numbers as possible to increase the likelihood of funding increases. The red lines will get our special attention as we move forward in this process.