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**M E M O R A N D U M**

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**To:** Orange County Sanitation District  
**From:** Townsend Public Affairs  
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**Subject:** Monthly Legislative Report

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**State Legislative Update**

The month of February saw the introduction of over 1,800 new bill vehicles, the approval of several early budget action items, and numerous COVID-19 procedural updates. In February and early March, legislators and the Administration focused on establishing consensus on funding priorities included in the Governor's January Budget framework proposal and introduced the bulk of their legislative priorities for the year.

**State Legislature**

February 18 marked the 2022 Legislative Session's bill introduction deadline for all new legislative vehicles. Although new bills have trickled in since the January 3 start of session, most legislators wait until the final deadline week to introduce the bulk of their proposals. Both the Assembly and Senate introduced a total of 2,115 new bill vehicles. While the deadline for new bills has passed, legislators will still have the opportunity to amend or "gut and amend" existing bill vehicles into new legislation. However, Assembly and Senate leadership have set hard mid-March deadlines for major amendments and amendments to "spot" legislation, meaning new and evolved legislative language will materialize and be heard in policy committees in the coming weeks.

**State Budget**

Throughout the month of February, legislators participated in full budget and subcommittee informational hearings on specific provisions contained within the Governor's January Budget framework proposal. During these hearings, committee members heard from Department of Finance and Legislative Analyst's Office representatives, as well as other relevant stakeholders, to consider the implementation of proposed funding programs contained in the Governor's Budget. Each of the hearings were informational in nature with no action items that would immediately alter the existing budget framework. Prior to the May budget revision, negotiations and updated budget policies will materialize – which will reflect consensus between the Administration and the Legislature.

The nonpartisan Legislative Analyst's Office released several [succinct analyses](#) of various aspects of the Governor's budget proposal, which include assessments of proposed expenditures and issues for legislative consideration. Budget committee hearings will continue into the month of March before the Legislature shifts into agenda-heavy policy committee schedules to consider and take action on policy bills.

In addition to the steady pace of budget informational hearings, the Governor signed a handful of budget items into law marked for “early action” – meaning funds would be made available immediately. These early action items included the following:

- **[SB 113](#) (Committee on Budget and Fiscal Review) *Economic relief: COVID-19 pandemic.***

This measure transfers \$150 million into the California Emergency Relief Fund to fund remaining eligible waitlisted grant applicants from last year’s California Small Business COVID-19 Relief Grant Program. Additionally, the measure restores the net operating loss (NOL) deduction and lifts the cap on business incentive tax credits that were suspended and capped in the 2020-21 Budget.

- **[SB 114](#) (Committee on Budget and Fiscal Review) *Employment: COVID-19: supplemental paid sick leave.***

This measure provides 80 hours of paid COVID-19 leave for covered employees working for an employer with over 25 employees. The previous law requiring coverage (SB 95, Statutes of 2021) expired Sept. 30, 2021. SB 114 mirrors the provisions included in the previous law, with two notable changes, which include the following additional qualifying cases for taking paid sick leave time:

- Attending an appointment to receive a COVID-19 vaccine or a vaccine booster for the employee’s family member; or
- Caring for a family member who has symptoms from a COVID-19 vaccine or a vaccine booster.

- **[SB 115](#) (Skinner) *Budget Act of 2021.***

This measure amends the language contained within the 2021 Budget Act to provide for the immediate disbursement of funds marked for early action. This includes \$1.9 billion from the General Fund to the California Emergency Relief Fund for COVID-19 mitigation, which includes increasing testing capacity, enhancing vaccination programs, and supporting frontline workers. In addition to the new funds for COVID-19 mitigation and support, the measure allows the state to backfill funds for rental assistance not covered by federal dollars.

## **COVID-19 Updates**

- ***California to lift all masking mandates for vaccinated individuals and school settings*** – Following the State’s announcement lifting the indoor statewide masking mandate, on February 28, the Governor announced the State would lift all masking mandates, including mandates that apply to school children and school personnel. Beginning March 1, masks are no longer be required for unvaccinated individuals, but will be strongly recommended for all individuals in most indoor settings. In schools and childcare facilities, after March 11, masks are not required but will be strongly recommended. Masks will still be required for everyone in high transmission settings like public transit, emergency shelters, health care settings, correctional facilities, homeless shelters and long-term care facilities. Local jurisdictions may have additional requirements beyond the state guidance.

- Legislation introduced to mandate vaccines for employees of all businesses – In February, Assembly Members Wicks, Aguiar-Curry, Low, and Akilah Weber introduced [AB 1993](#), which mandates vaccines for workplaces (for both employees and independent contractors) and requires employers to verify that their workers are immunized. New hires would need to have at least one shot by their first day — and the second within 45 days. Exemptions are made for persons ineligible to receive a COVID-19 vaccine due to a medical condition or disability or who hold a sincerely held religious belief. Assembly Member Wicks previously considered a similar proposal at the end of the 2021 legislative session, but ultimately decided to wait. AB 1993 is currently pending referral to the appropriate legislative policy committee for consideration.
- Governor Rolls Back All but 5 Percent of COVID-19 Executive Orders – Governor Newsom announced his action to lift all but 5 percent of COVID-19 related executive order provisions, while maintaining the State of Emergency. The remaining provisions include maintaining California's nation-leading testing and vaccination programs and protecting hospital and health facility capacity, key components of the state's SMARTER Plan to guide California's evolving pandemic response.

Altogether, Newsom has issued 561 executive actions, specific legal waivers or directives contained within his executive orders, since the start of the pandemic. He has since rescinded all but 30. The most recent order lifts 52 of those remaining executive provisions by the end of June. Among the measures he terminated immediately were orders to allow fairgrounds and other state-owned property to be used for pandemic relief and to direct the state to distribute COVID-19 stimulus funds, which have already been allocated.

Maintaining the State of Emergency provides for such things as continued Brown Act flexibility for local agencies. The Governor has not yet released a timeline for which he plans to end the State of Emergency. It is not unusual for California governors to keep emergency proclamations open for years in response to disasters like wildfires and earthquakes.