

CA EDGE Coalition End of Legislative Session Summary September 2, 2020

On August 31st, the California Legislature concluded the 2019/2020 two-year legislative session, which proved to be one of the most historic, challenging and complex sessions due to the COVID-19 pandemic. While in the midst of a global pandemic and economic recession, destructive wildfires, and the uprise of racial injustices across the nation, lawmakers ended the legislative year in a late-night voting session advancing critical priorities seeking to help Californians impacted by the pandemic. Among the economic measures that passed were the expansion of paid family leave, eviction moratorium extension for renters, expansion of low-income tax credits for undocumented Californians, and a \$100 million hiring tax credit for small businesses.

However, because of the constitutional deadline to pass all measures by midnight on August 31st, the clock ran out leaving unresolved negotiations on critical legislation that would have reduced the digital divide, secured additional unemployment benefits, and ensured more affordable housing. Some of the reasons that lead to most of the high-profile proposals falling through were lack of federal action, unresolved issues between lawmakers of both parties and houses, and the risk of deepening budget deficits in the future. As mentioned, one of the most disappointing failures this year was halting broadband expansion. Since the pandemic hit earlier this year, it has unveiled countless disparities, in particular, access to internet services in disadvantaged communities – disproportionately affecting Black and brown communities. We understand the severity and the negative impact that many low-income students including adult learners experience when there is lack of access to the internet and technological tools. With State guidance around distance learning, broadband for all should have been one of the top priorities to accomplish this session. SB 1130, which EDGE supported, would have expanded broadband and secured more than \$100 million a year to ensure access to high-speed internet for families, students, and first responders across the state. Sadly, the bill was not sent to the Governor.

The Legislature also attempted to pass their own \$100 billion economic stimulus plan, given that federal assistance was nowhere in sight. The intent was to boost the economy and protect jobs, small businesses, and working families. Towards the final days of session, this proposal also fell short, unable to pass an extension of unemployment benefits and other economic initiatives in the proposed plan. Although the Legislature eventually recognized it should be the federal government's responsibility to provide aid during this crisis, their attempt to raise \$100 billion through a new tax voucher program and accelerate other existing revenue streams did not move forward. Moreover, with strong pressures at the federal level to extend unemployment benefits, an August order by President Trump provides a temporary \$300-per week benefits extension, providing a small relief to many Californians throughout this economic recession. Longer-term efforts to extend supplemental payments have been delayed at the federal level due to failed negotiations, meaning Californians are left with fewer resources to support basic needs such as rent, food, healthcare, and childcare, which was the intent of the legislature's economic stimulus plan to alleviate.

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With regards to the budget, we saw an unprecedented drop in revenue earlier this year due to the pandemic, however, the Legislature came together to pass a budget in late June which funds key State priorities such as protecting student financial aid, workforce education programs, small business relief, and targeting more than \$5 billion in emergency aid to help children most at risk of learning loss due to the crisis. Although the State is now fiscally in a much better position than it was at the beginning of the pandemic, due in large part to the rainy-day fund reserves, California is still facing a severe recession and an unemployment rate of over 13%. Further, California borrowed over \$10 billion from the federal government to pay for unemployment benefits, which places uncertainty on many critical funding programs and their survival in next year's budget cycle. EDGE focused budget advocacy efforts to reject any cuts related to student financial aid, workforce training programs, career-tech, and adult education programs. Fortunately, a lot of these efforts were spared from budget cuts this year, but we know there is still more work to be done.

Below is a list of bills that EDGE supported this legislative session:

AB 1930 (Medina) Public postsecondary education: Student eligibility admissions.

This bill would have required the California State University (CSU) Trustees and request the University of California (UC) Regents, to engage and coordinate with other education segments prior to making any changes to undergraduate student eligibility requirements, in addition to commission a study that would evaluate the impact of students across segments if admission requirements are implemented.

Status: Held in Sen. Appropriations

AB 2884 (Berman) California State Lottery: revenue allocation.

This bill would authorize the allocation of restricted lottery funds to community colleges with the intent to use those dollars to support and benefit low-income students.

Status: Pending on the Governor's desk.

AB 3307 (Garcia, E.) California Manufacturing Emergency Preparedness Act of 2020.

This bill would have enacted the California Manufacturing Emergency Preparedness Act of 2020, which would authorize I-Bank to establish the California Manufacturing Disaster Loan and Loan Guarantee Program for the purpose of expanding manufacturing and logistics capacity in California.

Status: Held in Sen. Appropriations

ACA 5 (Weber) Government preferences.

This bill places a ballot in the November election to repeal provisions of Proposition 209, reinstating affirmative action in California.

Status: Signed by the Governor.

SB 291 (Leyva) Postsecondary education: California Community College Student Financial Aid Program.

This bill would have established the California Community College Student Financial Aid Program, to provide need-based grant awards to eligible community college students who attend a California community college voluntarily designated by its district governing board to participate in the program. **Status:** 2-year bill. Failed.

SB 1130 (Gonzalez, Lena) Communications: California Advanced Services Fund.

This bill would have required the Public Utilities Commission (PUC) to develop, implement, and administer the California Advanced Services Fund program to encourage deployment of 21st century-ready communications. The bill would have approved funding for infrastructure projects to provide high-capacity internet to households that are in unserved areas, or unserved high-poverty areas.

Status: Ordered to inactive file, Failed.

Despite the challenges of this legislative session, the CA EDGE Coalition remained committed to fighting for policies and investments that will support economic mobility for all Californians while also addressing the needs of businesses to support workforce development. While we wait for the Governor's decisions on what is signed and what is vetoed, EDGE is gearing up for the upcoming 2021-2022 budget and legislative cycle by honing in on key policy priorities and strengthening our collaborative partnership with stakeholders and decision-makers. We know next year's budget will be tough, with much uncertainty related to federal support. However, EDGE will continue to advocate for sound policies and investments focused on workforce development strategies to protect and support workers, adult learners, and businesses.

Governor Newsom has until September 30th to act by signing or vetoing bills that were passed by the legislature.