



April 28, 2022

CA Senate Proposes Financial Relief for Paid COVID Leave

Our efforts to secure financial relief for contractors, to cover the costs of providing the reinstated Paid COVID Leave, continues to gain momentum. Much of this is due not only to our tireless lobbying efforts, but to our industry's investment in grassroots advocacy and a formal public relations campaign.

As proof of this progress, this morning, the California State Senate released their budget plan and it includes a proposal for a relief program to provide employers "with up to 150 employees" ... "grants to offset the cost incurred by the recently-enacted Paid Sick Leave program." This is an important first step in the budget negotiations process that will continue through June 15th. Those negotiations will also incorporate proposals from the California State Assembly and the Governor's office (through his May budget revise that will be released on May 15th).

Details on the Senate proposal are limited, including the size of the grant, the definition of "up to 150 employees," and any additional guardrails that may apply to the grant program. Specific language will be released in the upcoming weeks. You can review the relevant summary here: [Putting Wealth to Work Senate Budget Plan.pdf \(ca.gov\)](#) → Slide 11.

There is still a long road ahead before anything would become law, however, **this is a very positive and essential first step in securing relief for many in our industry.**

To be successful, the industry must continue to show the need and its support for relief. Our [grassroots advocacy](#) is a key component to this effort. Governor Newsom and your state representatives need to hear from you. If you haven't done so already, please send a preformulated [email](#) today, and if you have, send it again. Be sure to also share on Twitter when prompted by the advocacy page.

[SEND AN EMAIL TO GOV. NEWSOM & YOUR STATE REPS - SUPPORT FINACIAL RELIEF FOR THE COSTS OF PROVIDING PAID COVID LEAVE](#)

Below is the Senate press release.



FOR IMMEDIATE RELEASE

April 28, 2022

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Senate Budget Priorities Harness California's Wealth to Bolster Families, Businesses, and Invest in Major Issues

SACRAMENTO – Senate President pro Tempore Toni G. Atkins (D-San Diego) and Senate Budget & Fiscal Committee Chair Nancy Skinner (D-Berkeley) announced today the second phase of the Senate's "Putting Wealth to Work" budget proposal, which would continue to prioritize a more equitable economy to benefit struggling and middle class families and build historic levels of reserves.

California's economy is going strong, and thanks to more than a decade of responsible budgeting and the voter-approved revenue system that requires the wealthy to pay their fair share, the state has an unprecedented \$68 billion in available General Fund resources. The Senate's budget priorities include the Better for Families Rebate Plan – which would provide \$8 billion to help taxpayers shoulder the cost of rising energy and consumer goods – along with rebates for small businesses and nonprofits that had to repay federal unemployment debt and grants to offset the cost incurred by the recently-enacted Paid Sick Leave program. It also includes billions in funding for core services and programs that support Californians.

"With the new revenue available for this year's state budget, the Senate is doubling down on our priorities— relief of \$8 billion for Californians facing higher consumer costs, reserves of \$43.1 billion to help maintain California's ongoing financial stability, and reinvesting California's wealth in those who need it most, especially struggling families and small businesses," Pro Tem Atkins said. "With this budget, the Legislature and the Governor will be taking the same responsible and effective path we've been on for over a decade now. Only this year, we're able to help even more people, bolster their ability to achieve their dreams, and ensure there will be both resources and a more equitable system in place now, and for future generations of Californians."

The Putting Wealth to Work approach would add \$65 billion in combined current year and budget year revenues to the Governor's forecast. It also would continue the Legislature's responsible budgeting approach, allocating one-time revenues for one-time purposes, and \$43.1 billion in reserves.

"Our state Senate 'Putting Wealth to Work' budget plan directs California's strong revenues to achieve a more equitable economy and ensure that middle-class and struggling families are not left behind," Sen. Skinner said. "It builds on the record funding increases we achieved last year to expand childcare, fund our schools and colleges, and make health care more affordable. I am especially proud of the big investments our plan proposes to make, once again, on housing affordability and services to address homelessness, top priorities for Californians across the state."

Highlights of the Putting Wealth to Work Plan include major investments in education, climate adaptation and resiliency, healthcare, housing, mental health, homelessness, public safety, workforce, and California families.

- **Education**

- Early Childhood Care and Education: \$1 billion to increase provider reimbursement rates and improve benefits; continue family fee waivers to help keep childcare costs affordable; and stabilize the state preschool program.
- K-12: \$5 billion base increase – growing to \$10 billion by 2024-25 – for additional discretionary funding for local school districts to end the fear of a ‘fiscal cliff’; \$10 billion in one-time funds spread over multiple years to mitigate learning loss and other COVID-related impacts; significant new funds for Home-to-School Transportation; and billions for school facilities and deferred maintenance.
- Higher Education: Increased base funding for UC, CSU, and Community Colleges; \$1.5 billion to expand student housing for UC, CSU, and Community Colleges; \$3.2 billion to reduce deferred maintenance across all three systems; \$450 million grant for community college mental health and basic needs; \$176 million for Cal Grant improvements and \$227 million for next-step Middle Class Scholarship funding to reduce student debt and fully-fund the MCS beginning in 2024-25 to provide debt-free college for all lower- and middle-income CSU and UC students.

- **Climate** - \$18 billion package to build off of the Governor’s January budget which proposes significant investments in electrical vehicles, abandoned oil well clean up, clean energy projects and building decarbonization.

- Water and Drought: \$7.5 billion in state and federal funds to build a climate-resilient water system, including \$2 billion to rebalance the state water supply and water rights.
- Wildfire Preparedness and Response: \$6.6 billion over five years for fuel reduction, biomass accumulation, workforce development and training, Regional Conservancies, and expanding staffing ratios for all engines.
- Sea Level Rise: \$3.3 billion over multiple years to improve resilience, including protecting natural resources, urban waterfronts, ports, and infrastructure; \$1 billion to offset the impacts of climate change on disadvantaged communities.
- Biodiversity & Outdoor Access for All: \$1 billion over multiple years to conserve state lands and coastal waters, fund urban greening and forestry, and expand access to outdoors through conservancies and other conservation entities.

- **Healthcare:** Increased funding to make healthcare more affordable, including increased funding for CoveredCA and \$1 billion to accelerate implementation of Medi-Cal coverage regardless of immigration status to June 1, 2023.

- **Mental Health:** Expand investments in school-based mental health services, accelerate implementation of behavioral health treatment beds, and provide funding for financial incentives to encourage people to enter the behavioral health workforce.

- **Housing:** \$2.7 billion for affordable housing and home ownership, including \$1 billion for the California Dream for All program, a new revolving fund for first-time homebuyers to partner with the state and purchase homes with little or no downpayment and reduce mortgage costs by more than 20 percent.

- **Homelessness:** \$3 billion, over three years, to build on last year’s historic \$12 billion two-year investment, which would include additional funding for Project Homekey, local funding, and encampment resolutions.

- **Public Safety:** Increased funding to support victims of crime through support programs, the Restitution Fund, and Trauma Recovery Centers; expansion of homelessness pre- and post-release transitional housing and programs; and investments that improve equitable access to justice.
- **Workforce:** \$100 million for career pathway programs at 20 California Community Colleges for students of color and low-income students; one-time and ongoing funding to help low-wage workers re-enter the workforce; funding to establish Women in Construction unit at the state Department of Industrial Relations to promote and support women and nonbinary individuals in skilled trade careers.
- **Help for California families in need:** Funding to provide eligible Californians with a minimum CalEITC tax credit, increase CalWORKs grants to ensure no child lives in deep poverty, and improve foster care services and support for seniors and disabled Californians.

The Senate’s plan also includes details for building on the \$20 billion infrastructure proposals included in Governor Gavin Newsom’s January budget, and highlights key priorities from Senate Budget subcommittees, including Education; Resources, Environmental Protection and Energy; Health and Human Services; State Administration; Public Safety, the Judiciary, Labor and Transportation.

More information on the Senate’s “Putting Wealth to Work” budget priorities is available [here](#).

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Toni G. Atkins is President pro Tempore of the California Senate. Having previously served as Speaker of the California Assembly, she began her tenure in the Senate in 2016. As Senator for District 39, she represents the cities of San Diego, Coronado, Del Mar and Solana Beach. Website of President pro Tempore Toni G. Atkins: www.senate.ca.gov/Atkins

Sen. Nancy Skinner represents the 9th Senate District, is chair of the Senate Budget and Fiscal Review Committee, and vice chair of the California Legislative Women’s Caucus. Website of Sen. Skinner: <https://sd09.senate.ca.gov/>