

POLICY WATCH – July 2020

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It is hard to find the words to describe the misery of 2020. I am alternating between shock and awe in absorbing the devastation of the latest LNU Lightning Complex fires, on top of the pandemic and the recession. The impacts of this year will be far-reaching and long-lasting. My hope is that these common enemies bring us closer together to face the challenges before us, because it will take a great deal of collective will to rebuild it better than before in the myriad of ways that must be found to do so.

In this issue, we look at the call for a tax moratorium in this economic crisis as a tactical pause to catch our breath and not add any more burdens on the North Bay residents and business/employers who are struggling to survive. The situation has grown more dire as we suffer through the latest disaster and seek out more relief for those in desperate need of help.

We also look at the “Shecession” that is happening as women lose their jobs and their ability to work due to the types of jobs they hold and the brunt of raising children still being primarily on their shoulders. If we want the economy to come back, we need to look at how to keep women in the workforce through more flexible working arrangements and better childcare options.

So much for us to do but together we can do it. So much to repair and fix, but together we can do it. We are fortunate to live in a community of people who solve problems and are committed to a more equitable future. Let's keep our eye on a better tomorrow and prepare for unknown blessings that are already on their way.

Best,

Cynthia

Join the 2020 Tax Moratorium Coalition! Just Say “No, Not Now!” on Tax Measures this November

Note: The following article was written before the latest fires. The addition of the chaos of the fires adds more chaos and uncertainty to our already strapped residents and businesses. We pray for everyone's safety and hope that we will be able to help those with losses have a speedy recovery.

These are unprecedented times for our county. We are in an economic crisis that is unparalleled. Neither the Great Depression nor the Great Recession nor any other slump over the past two centuries have ever caused such a sharp drain on the economy, with GDP dropping 32.9% in the second quarter. In this time of uncertainty and chaos, we know two things for certain: people and businesses need help, especially financially, now; and adding to their burden with taxes of any kind is not the help they need.

These impacts are what has brought our organizations, representing local business and agriculture, together to form a coalition in support of a moratorium on all tax measures both city and countywide in 2020. The 2020 Tax Moratorium Coalition leadership consists of North Bay Leadership Council, North Coast Builders Exchange, Sonoma County Farm Bureau and Santa Rosa Metro Chamber. We are excited that we see great support in the community and our coalition is growing. When we say, “No, Not Now!” we hear strong agreement that our community needs continued relief for those most impacted by COVID-19, not additional financial burdens brought on by tax measures that either establish or extend taxes.

Our opposition is not targeted at individual ballot measures – we are opposing ALL of them. We believe that 2020 is the wrong time to ask the voters for more money. Any additional taxes or extension of taxes should be considered when our economy is better and we have more certainty about the way forward. We are standing strong on our position to protect businesses, farmers, senior citizens, furloughed workers, students and families who are already struggling to meet their basic needs.

We have record high unemployment, the highest since the Great Depression, which grew dramatically over a few short months and continues with the shutdowns in response to the spread of the virus. In a recent report, it is estimated “that 42% of recent layoffs will result in permanent job loss,” (Jose Maria Barrero, Nick Bloom and Steven Davis, Becker Friedman Institute, University of Chicago). And in Sonoma County that could be higher due to our vulnerable industries like hospitality, retail, personal services and agriculture.

With so many people out of work or under-employed, the Redwood Empire Food Bank is striving to meet an unprecedented demand for food. Nonprofits are scrambling to feed the hungry from children to seniors. Besides not being able to put food on the table, people are struggling to keep a roof over their head and pay their bills. And the relief that some were able to access has expired, and whatever comes next will be less and not enough to carry them through.

Small businesses are shuttered, and economists predict almost half of those businesses will not reopen. Yelp reports that 55% of the small businesses on their site have closed permanently since March 1st. About 87% of Sonoma County’s approximately 19,800 businesses are small, family owned employers. The overwhelming majority of the 266,000-person workforce in Sonoma County has a job at a small business. How many of our businesses are gone or at risk of folding? How many more jobs will be lost? We don’t know and that should make the elected officials think twice about levying taxes now that may tip the scales for more businesses and nonprofits to close forever.

Please note, that employers have cut staff and expenses, but local governments have not done reductions to any extent like we have. Public pension fund liabilities have not been duly addressed and are growing, draining taxpayer money from the general fund that could be used to pay for the things that taxes are being raised to do instead. Given the loss of revenue from the pandemic-induced recession, government needs to get its “house” in order and be strategic about their priorities and how to fund them. There is a finite capacity for business and the residents to pay taxes, let’s ensure that they are being levied for the

most important priorities, not the issue of the moment. Also, it is well known that sales taxes are regressive, so lower income people and the unemployed are more impacted.

Not passing taxes in this election gives us time to assess the situation when there is less uncertainty and confusion due to the uncharted waters we are in today. By the next election in 2022, when we have more clarity, we hope that the business/employer community will be at the table to work with our local governments on finding appropriate funding solutions that we could support.

The 2020 Tax Moratorium Coalition invites you to join us in opposing ALL tax measures for this November election cycle. Again, we don't oppose the stated purpose of any measure – our opposition is rooted in being in an economic crisis, the need to take a tactical pause, and a desire to see wise governmental spending and rational planning for the future. If you are interested in joining the coalition, please contact info@2020taxmoratorium.com.

California Apartment Association Joins North Bay Leadership Council

North Bay Leadership Council welcomes the California Apartment Association (CAA) as their newest board member. They are the largest association representing rental housing, both multi-family and single family. NBLC Chair, Steve Page, said “The CAA is in the bullseye of one of our principal areas of policy focus – housing -- and represents rental housing which has not been formerly represented in our membership. We look forward to having this voice heard as we fight for more housing in the North Bay.”

The California Apartment Association is the nation's largest statewide trade group representing owners, investors, developers, managers and suppliers of rental homes and apartment communities. Their staff — based in Sacramento and with strategic hubs throughout California — includes experts in rental housing law, legal analysts, state and local lobbyists, member-service representatives and media-outreach specialists. For more than 80 years, CAA has served rental home and apartment owners and managers through tireless work in public affairs, education and customer service. CAA is proud to be the definitive voice of the single and multifamily housing industry in California.

CAA represents the ethical members of the rental housing industry in all aspects of government affairs within the state of California, and provides information, products and services which contribute to the success of their members' businesses. CAA recognizes its ethical duties to the communities they serve and insists on upholding the utmost integrity in the multifamily housing field. Their [Code of Ethics](#) guides their dealings with all people, and encourages all rental-housing professionals to abide by it. CAA stands against all racism, hatred, intolerance, inequity, and violence, regardless of race, color, religion, age, sex, national origin, and/or ability. Like NBLC, they believe we are stronger when we unite as one voice.

The Board member representative is Alex Khalfin, Vice President of Public Affairs. Khalfin manages local public and legislative affairs in Marin, Sonoma and Napa counties. Khalfin said, “CAA is excited to join NBLC to work on our shared priority of more housing in the North Bay and to work together to ensure that the ability to create more housing is not diminished by poor public policy or ill-advised legislation.”

Prior to joining CAA, Khalfin was a government affairs officer for Amtrak, government affairs coordinator for the San Mateo County Association of Realtors and held various positions within the Governor Arnold Schwarzenegger's administration. Khalfin also has served as a planning commissioner for the City of South San Francisco. He holds a master's degree in government from Johns Hopkins University and a Bachelor of Arts degree in international relations and political science from the University of California, Davis. The

board alternate is Joshua Howard, Executive Vice President of Local Public Affairs. Joshua Howard leads the association's local public affairs strategy, government advocacy, community relations, and political action programs throughout California.

CAA has 13,000 members, representing more than 60,000 owners and industry professionals. California's property management companies, developers, real estate investment trusts and thousands of independent apartment owners depend on CAA to defend their investments. Their North Bay office is in the Petaluma Marina complex.

America's first female recession

[Chabeli Carrazana](#) writes in [The 19th \(Link\)](#) about [America's first female recession](#). She says, "For the first time since they began a consistent upward climb in the labor force in the 1970s, women are now suffering the repercussions of a system that still treats them unequally. Men are still the primary breadwinners. Women are still the primary low-income workers, the ones whose jobs disappeared when coronavirus spread. Mothers in 2020's pandemic have reduced their work hours [four to five times more](#) than fathers to care for children in a nation that hasn't created a strong caregiving foundation."

Carrazana states, "When the economy crumbled, women fell — hard. This year, female unemployment reached double digits for the first time since 1948, when the Bureau of Labor Statistics started tracking women's joblessness. White women haven't been such a small share of the population with a job since the late 1970s. And women of color, who are more likely to be sole breadwinners and low-income workers, are suffering acutely. The unemployment rate for Latinas was 15.3 percent in June. For Black women, it was 14 percent. For White men: 9 percent."

And this bad news is on top of the pernicious inequality women have had in the labor force. She says, "All the while, women continue to earn less than men, with White women making [79 cents](#) on the White male dollar, Black women making [62 cents](#), Native American women making [57 cents](#) and Latinas making [54 cents](#)."

Carrazana aptly describes, "What women in America are living now is the consequence of years of occupational segregation that kept them out of managerial positions, stuck in low-paying jobs with few safeguards like paid sick leave. When [a third of the female workforce](#) — the grocery clerks, home health aides and social workers — became "essential workers" this year, they were faced with difficult decisions about preserving their health or keeping their jobs. The rest found themselves more likely to be in positions that vanished overnight, like the housekeepers and the retail clerks, or on the margins, in the jobs at risk of never coming back. Together, the losses threaten decades of steady, hard-won progress."

And now the Trump administration has deemed teachers, who are primarily women, essential workers, further pushing women to take on more of the risks of working in the pandemic. In [The Trump administration declared teachers 'essential workers.' Here's what that means](#), by Valerie Strauss, [\(Link\)](#) we learn that this is a "a move aimed at pushing school districts to open for in-person instruction for the fall semester amid the [coronavirus pandemic](#). The declaration of teachers as 'critical infrastructure workers,' which came in an [Aug. 18 guidance](#) published by the Department of Homeland Security, means that teachers exposed to coronavirus but who show no symptoms can return to classrooms and not quarantine for 14 days as public health agencies recommend."

Strauss says, “DHS said the label is only advisory and not meant to be a federal directive. Still, school districts that want teachers to return to classrooms — even when teachers don’t think it is safe enough — could use the federal designation to bolster their own mandates. Essential workers are those deemed by the DHS to work areas typically essential to continue critical infrastructure operations and who are expected to show up for their jobs on site because there is no other way to do them.”

Carrazana says, “In 1958, women made up less than a third of the U.S. labor force. It took them 30 more years to reach 45 percent, a pace of growth through the late 20th century that helped usher in the ‘most significant change in labor markets during the past century,’ wrote Harvard economist Claudia Goldin.”

And here is a remarkable statistic: “Women’s gains in the labor market helped create an economy that, according to some estimates, is \$2 trillion larger than it would have been if women’s participation levels remained where they were in 1970, when it really started to skyrocket.”

Carrazana says, “For the past several decades, though, the gender split in the labor force has largely evened out. Then came 2009, a recession that hurt predominantly male-dominated jobs such as construction and manufacturing. Women overtook men as more than half of the labor force for the first time in history. It has happened again only one other time: In December 2019, when coronavirus was still but a distant headline in China, women surpassed men at 50.04 percent of the labor force. It was a fleeting breakthrough.”

The impacts of the pandemic hit hard. Carrazana says, “Nearly 11 million jobs held by women disappeared from February to May, erasing a decade of job gains by women in the labor force. In June, women regained 2.9 million positions, but those jobs, which are largely in the hospitality field, remain insecure as coronavirus’ continued spread forces new closures.”

And the bad news for women continues. Carrazana says, “Depending on the length of this recession and when an effective treatment or vaccine for COVID-19 is developed, there is a real possibility many jobs lost by women will never come back, said Heidi Shierholz, senior economist and director of policy at the Economic Policy Institute (EPI). As it stands, about 8 percent of women who have been laid off have zero chance of being called back to the workforce compared to 6.4 percent of men, according to an analysis by EPI. Another 4 percent expect to be called back but likely will not.”

Will things get worse? Carrazana says, “As workers exit the labor force, skills will depreciate. Finding a job at the same level will become harder the longer they’re out of work. And because women will be most likely to be jobless, the gender pay gap will grow while overall wage growth will stall, said Gad Levanon, head of the labor market institute at the Conference Board, a nonprofit research group. Employers will have their pick of employees, and that will bring salaries down. Low-wage workers feel that drop most intensely. Women make up nearly two-thirds of the 40 lowest paid jobs. “

She says, “The outlook is also bleak for those entering the job market or graduating college. The class of 2020 (and probably 2021) will enter a working world that pays less for the fewer jobs available. It’s a vastly different situation from the one graduates expected to be in at the beginning of the year, when the U.S. was at virtual full employment. Unemployment in January 2020 was just 3.6 percent — among the lowest recorded rates since the late 1960s. According to a 2014 study of graduates from 1974 to 2011, students who graduate during a recession are likely to see their salaries decline by 10 percent in their first year at work, followed by dips of about 2 percent every year during their first decade in the labor force.”

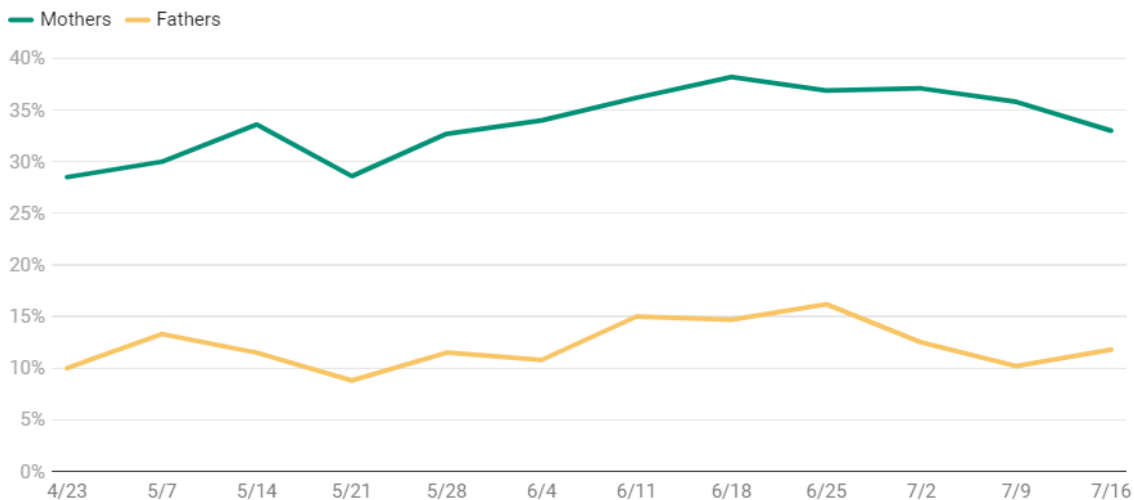
“For women, in particular, hopes of climbing back out of this recession will hinge on one key, lingering question: What happens to the future of childcare?” asks Carrazana. “The realities of the lopsided division of care inside American households has been on full display since work left the office and entered the home — for those who kept their jobs, anyway. Women in 2020 still take on the overwhelming majority of child care responsibilities, spending 40 percent more time watching their children than fathers in couples in which the parents are married and working full time, according to a study by economists at Northwestern University.”

It gets worse. She says, “Then child care facilities started closing by the thousands. Since January, 1 in 4 child care providers have lost their jobs and as many as half of all child care slots could be lost with centers closing, according to a study by the Center for American Progress, a left-leaning think tank. During a regular recession, women may have entered the labor force to supplement their partners’ lost hours; in this recession, with the child care safety net gone, that option is not even available.”

Figure 1

Child care and school closures due to the coronavirus have a greater impact on women's employment than men's employment

Share of Millennial parents who reported school or child care closure as the main reason they are not working, April 23 to July 21



Hover or click to see values.

Chart: Center for American Progress •

Source: Author's analysis of U.S. Census Bureau, "Household Pulse Survey Public Use Data File," available at <https://www.census.gov/programs-surveys/household-pulse-survey/datasets.html> (last accessed August 2020).

There is hope. Carrazana says, “In many ways, though, coronavirus has served as a magnifying glass, bringing into sharper focus issues like child care that have long been ignored — and employers are responding. Companies that once resisted flexible work set-ups, and particularly remote work, are starting to embrace the idea. ‘We have been fighting for the ability for women to work remotely and flexibly for years. It’s the number one thing women want for employment and companies have now been forced to see that that model works,’ said Galluzzo, from the Second Shift. ‘And when the economy comes back and jobs are more plentiful and our kids are in school, I see this as ultimately a benefit because you don’t have to convince people any longer that [flexibility and being remote] works.’”



Not as hopeful is Tom Starner, in [Are we about to see a mass exodus of female workers?](#), (HR Executive, [Link](#)) who says the answer is “Yes.” Starner shares the results of a survey that found “the negative pandemic-driven employee impacts fall particularly heavily on women and working moms. In short, women polled say they are twice as likely than men to leave their employer within a year following the pandemic. Of the 2,000 professionals surveyed, 38% reported both their work and wellbeing have been impacted by the pandemic. Participants explain that because leadership seems to believe that social activities are lessened (or nonexistent) as a result of the pandemic, employees have more time for work and, thus, can handle an increased workload—regardless of work/life balance or other responsibilities including childcare.”

“That 38% is deeply connected to workplace satisfaction during the pandemic, with women scoring an average of 15 points lower than men on all drivers, meaning their work experience was more negative. As many women, particularly working moms, are trying to juggle day-to-day lives, childcare and careers, anxiety is on the rise; the economic impact of working moms’ coronavirus-related anxiety is estimated at \$341 billion. Not only are women and working moms balancing a plethora of responsibilities, they are also fearing for their jobs—approximately 60% of the jobs eliminated in the first wave of pandemic-induced layoffs were held by women.”

Starner says, “With the lines between parenthood and career blurred indefinitely as a result of the pandemic, parents need greater support now more than ever, Cohen says. More than 50% of working parents are currently without childcare, and one in five said either they or their partner are considering leaving the workforce to care for their children.”

Marguerite Ward takes it a step further. In [If the Senate doesn't bail out the childcare industry, economists see women leaving the workforce en masse \(Link\)](#), she writes, “A very real potential outcome of this crisis, should government aid not pass the Senate, is an exodus of women from the workforce, [Matthias Doepke](#), a highly cited Northwestern economist who published an analysis of the gendered effects of the coronavirus pandemic, told Business Insider. Economic research from the [University of Chicago](#) reveals that about 17% of all US workers have a child under the age of 6 at home, and most of these workers do not have an alternative caregiver in the household (such as a stay-at-home spouse).”

Ward says, “Women leaving the labor force will impact the economy for decades, Betsey Stevenson, a labor economist at the University of Michigan and former member of President Barack Obama’s Council of Economic Advisers, told [Politico’s Zack Stanton](#). Families will have to reckon with not only lost wages from the years women are out of the workforce, but also the lost income in earning potential over their lifetimes. ‘We’re going to see what happens as women choose to take time out, as they scale back their hours, as they get sidelined in their jobs. All of those things will mean they’re in a worse position in four and five years’ time than they would have been without the pandemic,’ Stevenson told Stanton.”

Alarmingly, “This could mean the wage gap could actually *increase* in the coming years as men get further along in their careers, and women step back altogether or stay stagnant in exchange for flexibility, Floro said. ‘It will be a step back to the progress that has been reached by women in the US in terms of the participation in the labor market. You might see a widening of the gender wage gap,’ Floro said.”

Ward says, “The economy will also struggle to restart. ‘The bottom line of this analysis is that without schools open and childcare available, we cannot get anywhere near a full recovery, because a good share of the workforce will be unable to work due to childcare needs,’ Doepke said.

“It’s our responsibility to not only present this data, but also help address the issue and offer resources and support in order to continue the progress of workplace diversity and inclusion,’ says Pamela Cohen, behavioral research scientist and president at WerkLabs. To that end, The Mom Project has launched the [Stronger Together Fund](#), [Resume Rev](#) product, and [Unity Program](#) as well as other initiatives and resources to help support working moms during the pandemic and beyond.”

And working moms are going to need all the help they can get!

Members in the News

Kaiser Permanente and Other Community Leaders Announces \$81.8 Million in Commitments to Support Isolation and Quarantine Efforts in Communities Disproportionately Impacted by COVID-19

Building on the state’s comprehensive actions to support diverse communities disproportionately impacted by COVID-19, Governor Gavin Newsom today announced \$81.8 million in additional commitments from private and philanthropic partners to provide resources and services for individuals needing to isolate or quarantine.

The Buck Institute for Research on Aging Study Suggests Potential Therapy For COVID-19

Buck Institute professor and lead author Dr. John Newman, along with a group of colleagues, suggest ketone bodies could be a possible treatment for viral respiratory infections, such as seasonal flu and SARS-CoV-2, the virus that causes the disease COVID-19.

Sonoma County Office of Education Receives \$1 Million Grant to Expand Post-Disaster Mental Health Services For Children

A federally funded project is underway in west Sonoma County to help thousands of local students respond to trauma caused by years of wildfires and flooding, launching what could be a pilot program for rehabilitating children in other parts of the country.

Sonoma Raceway’s Jere Starks Inducted Into Sonoma Raceway Wall of Fame

Long-time Sonoma Raceway executive Jere Starks, who oversaw the physical transformation of the raceway into one of the nation’s premier motorsports venues, has been inducted into the Sonoma Raceway Wall of Fame.



Who We Are

Over twenty five years ago, business leaders founded the North Bay Leadership Council on a simple premise: We can accomplish more by working together. Today, the Council includes 54 leading employers in the North Bay. Our members represent a wide variety of businesses, non-profits and educational institutions, with a workforce in excess of 25,000. As business and civic leaders, our goal is to promote sound public policy, innovation and sustainability to make our region a better place to live and work. For more information: Call

707.283.0028 / E-mail info@northbayleadership.org
www.northbayleadership.org