

Assembly Budget Committee Hearing

Tuesday, September 7, 2021

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SUMMARY

This bill is the omnibus Resources budget trailer bill. It contains provisions necessary to implement the 2021 Budget Act.

Major Provisions

- 1) **GGRF Continuous Appropriation for Forest Health and Wildfire Prevention Funding.** Continuously appropriates \$200 million Greenhouse Gas Reduction Fund annually until 2028-29 for healthy forest and fire prevention programs and projects that improve forest health and reduce emissions of greenhouse gases caused by uncontrolled wildfires and for completion for prescribed fires and other fuel reduction projects.
- 2) **Wildfire Funding Reporting.** Requires an agency, on or before April 1, 2022, and annually thereafter until 2026 to report on all programs related to wildfires and forest resilience funded pursuant to the Budget Act of 2021 for purposes of informing the Legislature and the public on the agency's implementation of the funded programs.
- 3) **State Coastal Conservancy: Officer or Employer: Financially Interested Contracts.** Provides that an officer or employee of the State Coastal Conservancy is not deemed to be financially interested in a contract executed in their official capacity when specified conditions are met, including that the contact involves a grant of funds approved by the San Francisco Bay Restoration Authority to the conservancy.
- 4) **Healthy Refrigeration Grant Program.** Expands the definition of "qualified entity" to include a tribal government or tribal organization, as specified, and revises the requirements of a grant recipient under the program.
- 5) **Clean Transportation Program.** Renames the Alternative and Renewable Fuels and Vehicle Technology program the Clean Transportation program, and allows native tribes to compete for funding.
- 6) **Public Utility Commissioner Salary.** Provides for the members of the Public Utilities Commission (PUC) to receive a five percent salary increase per year for each of the 2021-22, 2022-23, and 2023-24 fiscal years. This is in addition to the cost of living increase provided for in current law.
- 7) **Fuel Cell Net Energy Metering.** Provides for the extension of eligibility for the existing fuel cell net energy metering tariff that electrical corporations have filed with the PUC from December 31, 2021 to December 31, 2023.
- 8) **Climate Catalyst Fund.** Allows the Infrastructure and Economic Development Bank (also known as IBank) to provide financial assistance for projects related to wildfire prevention and resilience as well as agricultural improvements that reduce climate impacts after voting on an annual funding plan developed in coordination with the Natural Resources Agency and the Department of Food and Agriculture. Authorizes IBank to provide financial assistance until July 1, 2025.

- 9) **Recycling Market Development Zone (RMDZ) Program.** Authorizes the Department of Resources Recycling and Recovery (CalRecycle) to expend moneys in the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account within areas outside of RMDZs where making the loan will benefit jurisdiction or assist a local jurisdiction, as specified.
- 10) **CalRecycle Greenhouse Gas Revolving Loan Program: Grant Program.** Upon appropriation by the Legislature in the annual Budget act, requires CalRecycle to administer the grant program to provide financial assistance to promote in-state development of infrastructure, food waste prevention, or other projects to reduce organic waste or process organic and other recyclable materials into new, value-added products.
- 11) **Bottle Bill: Small Grocers.** Until January 1, 2023, exempts dealers (e.g. small grocery stores), which have gross annual sales of less than \$1.5 million and are less than 5,000 square feet, from requirements to either take back empty beverage containers for redemption or pay \$100 per day to CalRecycle if the dealer is within an unserved convenience zone.
- 12) **Safe and Affordable Drinking Water (SADW) Eligibility.** Expands the list of eligible funding recipients to include technical assistance providers, as defined, and provides that a privately owned public utility may serve as a technical assistance provider.
- 13) **Water Arrearages.** Until December 31, 2021, prohibits all community water systems from discontinuing water service to customers due to nonpayment.
- 14) **Water Rights Reporting.** Establishes specific reporting requirements for water extractions and diversions.
- 15) **Tesla Park.** Requires the Department of Parks and Recreation to determine the best use of land known as “Alameda-Tesla Expansion Area,” which is currently part of the Carnegie State Vehicular Recreation Area, and prohibits this land from being designated as a state vehicular recreation area. This bill provides \$30.8 million General Fund to the Off-Highway Vehicle Trust Fund to be used for the acquisition and development of properties to expand off-highway vehicle recreation.
- 16) **Off-Highway Motor Vehicle Recreation Commission.** Among other things, requires a nominee to the commission have expertise or represent one of a list of specified interests.
- 17) **Tidelands and submerged lands: City of Long Beach: Oil Revenue.** Provides that the state consents to the application of specified ordinances to the state’s share of oil revenue within the Long Beach tidelands for taxes on such production leveled and in effect as of October 1, 2021. This bill prohibits the state’s share of oil revenue within the Long Beach tidelands from being subject to specified municipal charges not already levied on or before October 1, 2021, that has the effect of reducing the state’s share of oil revenue, net profits, or remaining oil revenue received into the General Fund, without express statutory authorization for that tax, fee, or assessment.
- 18) **California Environmental Quality Act (CEQA) Biodiversity.** Until January 1, 2025, exempts from CEQA projects that conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, habitat upon which they depend or that restore or provide habitat for California native fish and wildlife.
- 19) **CEQA: Klamath River Dam Removal Projects.** Specifies that the environmental review set forth in the Final Environmental Impact Report for the Lower Klamath Project License

Surrender, in combination with other environmental review documents related to removal of facilities on the Klamath River prepared and adopted by the Federal Energy Regulatory Commission, is conclusively presumed to satisfy the requirements of CEQA for any project for the removal of hydroelectric dams and associated facilities, along with associated restoration of formerly inundated lands, hatchery modifications, and implementation of mitigation measures in the Klamath River Basin.

- 20) **Future Year Coastal Adaptation and Protection Funding Set Aside.** Upon appropriation by the Legislature in the annual Budget act, makes available at least \$350 million in 2022-23 and at least \$150 million in 2023-24 to the State Conservancy for grants or expenditures for the protection and restoration of coastal and ocean resources from the impacts of sea level rise and other impacts of climate change. Funds will be made available specified purposes, such as projects consistent with the San Francisco Bay Restoration Authority Act, projects for the purpose of the San Francisco Bay Conservancy Program, coastal resilience projects (e.g. coastal wetlands and watersheds, beaches, dunes, fisheries, and critical infrastructure), projects that remove outdated and obsolete dams and project that upgrade associated downstream infrastructure to increase climate resilience, enhance natural habitat transport, or improve wildlife and fish passage.
- 21) **Future Year Multibenefit and Nature-Based Solutions Spending Set Aside.** Upon appropriation by the Legislature in the annual Budget act, makes available at least \$593 million in 2022-23 and at least \$175 million in 2023-24 to the Natural Resources Agency and its departments, conservancies, and boards, to support programs and activities that advance multibenefit and nature-based solutions to protect, enhance, or restore natural or modified ecosystems. Specifies that no less than \$60 million annually shall be available in 2022-23 and 2023-24 to support state conservancies.
- 22) **Future Year Extreme Heat Funding Set Aside.** Upon appropriation by the Legislature in the annual Budget act, makes available at least \$150 million annually in 2022-23 and 2023-24 to support programs and activities that mitigate extreme heat impacts.
- 23) **Future Year Extreme Heat and Community Resilience Program.** Upon appropriation by the Legislature in the annual Budget act, makes available at least \$25 million in 2022-23 and at least \$75 million in 2023-24 to the Office of Planning and Research (OPR), through the Integrated Climate Adaptation and Resiliency Program for the establishment of a grant program for projects to mitigate the impacts of extreme heat or the urban heat island effect.
- 24) **Future Year Community Resilience Centers Funding.** Upon appropriation by the Legislature in the annual Budget act, makes available at least \$25 million in 2022-23 and at least \$75 million in 2023-24 to the Strategic Growth Council, in coordination with OPR, for the establishment of a community resiliency centers grant program.
- 25) **Future Year Funding Fuels Pilot Projects in Sierra Nevada Mountain Range.** Upon appropriation by the Legislature in the annual Budget act, makes available \$50 million 2022-23 to the Department of Conservation, in coordination with the Air Resources Board and the State Energy Resources Conservation and Development Commission, for pilot projects in the Sierra Nevadas to create carbon-negative fuels from materials resulting from forest vegetation management.

COMMENTS

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

The funding related to the changes in this bill is contained in the Budget Act of 2021.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Shy Forbes / BUDGET / (916) 319-2099

FN:

SUMMARY

This labor trailer bill contains necessary changes to the 2021 Budget Act. The bill establishes the Community Economic Resilience Fund Program within the Workforce Services Branch of the Employment Development Division (EDD).

Major Provisions

- 1) Establishes, within the Workforce Services Branch of EDD, the Community Economic Resilience Fund (CERF), with the goal of building an equitable and sustainable economic recovery from the impacts of COVID-19 and providing for the durability of that recovery through long-term economic resilience.
- 2) Requires an Inter-Agency Leadership Team comprised of the Labor and Workforce Development Agency, the Office of Planning and Research, and the Governor's Office of Business and Economic Development to administer the program.
- 3) Requires the program to provide financial support to establish high road transition collaboratives and provide planning grants to at least one collaborative in each region of the state.
- 4) Requires the program to provide implementation grants on a competitive basis to fund economic recovery in each region.
- 5) Provides that all grantees will report on program outcomes.
- 6) Appropriates \$600 million from the Coronavirus Fiscal Recovery Fund of 2021 to the Workforce Services Branch to administer the program with up to 3% of the funds going to state agencies to support the program.

COMMENTS

This bill is a budget trailer bill within the overall 2021-22 budget package to establish the Community Economic Resilience Fund within the Workforce Services Branch.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

The bill allocates \$600 million from the Coronavirus Fiscal Recovery Fund of 2021 to the Workforce Services Branch for the establishment and administration of the Community Economic Resilience Fund.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Michael Lucien / BUDGET / (916) 319-2099

FN:

SUMMARY

This is the state government trailer bill and contains changes related to the 2021 Budget Act.

Major Provisions

- 1) Provides that funding appropriated to the Transcript Reimbursement Fund from a source other than fees to the board are not subject to the \$300,000 annual transfer limit.
- 2) Prohibits the maximum amount for reimbursement for specified services from exceeding \$30,000 per case per year.
- 3) Prohibits the disbursement costs to cover the costs of providing transcripts from exceeding \$2,500 per case.
- 4) Eliminates the \$75,000 annual limit on total disbursements to cover the costs of providing transcripts.
- 5) Requires the California Gambling Control Commission to refund any annual fees paid for a state gambling license that were due between January 31, 2020 to July 16, 2021 and any annual fees already paid by a third-party provider of proposition player services that were due between September 1, 2020 to July 16, 2021.
- 6) Prohibits the California Gambling Control Commission from collecting application fees or background deposits associated with a renewal application ordinarily due between March 1, 2020 to July 16, 2021.
- 7) Requires that the grant program administered by the Department of Social Services provides support and services to victims and survivors of hate incidents, prioritizing vulnerable populations with high or increasing levels of hate incidents who have historically faced barriers to accessing appropriate care and services.
- 8) Increases the amount appropriated from the State Infrastructure Fund for modifications to the west wing of the State Capitol from \$20 million to \$37 million.
- 9) Requires the Department of Technology, when creating a plan with state agencies regarding information security under existing law, to establish centralized contracts for identified shared services.

COMMENTS

This is a budget trailer bill within the overall 2012-22 budget package.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill appropriates an additional \$17 million from the State Project Infrastructure Fund for modifications to the west wing of the State Capitol.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

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UPDATED

VERSION: September 7, 2021

CONSULTANT: Michael Lucien / BUDGET / (916) 319-2099

FN:

SUMMARY

Makes necessary statutory changes to ratify and implement memoranda of understanding (MOU) side letters and addenda between the state and bargaining units (BUs) 7 and 8. The agreements cover state employees represented by two exclusive employee representatives, specifically Bargaining Unit 7: Protective Services and Public Safety represented by the California State Law Enforcement Association (CSLEA) and Bargaining Unit 8: California Fire Fighters represented by California Department of Forestry and Fire Protection Firefighters (CAL FIRE) Local 2881. Appropriates funds necessary to implement the finalized salary surveys for BU 5 (California Association of Highway Patrolmen) and Judges.

- 1) Establishes the Ralph C. Dills Act, which requires the state to collectively bargain with the exclusive representatives of employee groups (i.e., bargaining units) - regarding wages and working conditions, and to define negotiated agreements in MOUs.
- 2) Establishes the California Department of Human Resources (CalHR) as the official representative of the Governor in all matters related to collective bargaining with state employees.
- 3) Requires that any MOU between the state and an exclusive representative be ratified by the Legislature.
- 4) Establishes the California Public Employees' Retirement System (CalPERS), which administers health and retirement benefits for state employees.
- 5) Requires the Legislative Analyst's Office (LAO) to analyze all state MOUs and to provide analysis of an MOU and its fiscal impact to the Legislature within 10 days of receipt of an MOU from CalHR.
- 6) Provides that fully vested state retirees (e.g., with 20 or more years of state employment or with 25 years or more, depending on the bargaining unit) are entitled to an employer contribution for retiree health care equal to 80 or 100 percent of the weighted average premium of the four health plans most highly utilized by all members. Depending on the bargaining unit, dependents are eligible for a contribution based on 80 or 90 percent of the average additional premiums paid for dependents during the benefit year in which the formula is applied. These are referred to as the 80/80 and 100/90 formulas.
- 7) Requires that Medicare-eligible retirees enroll in Medicare and choose a Medicare-coordinated health plan.
- 8) Provides that the employer contribution for active state employee health care shall be determined through collective bargaining.
- 9) The 2020-21 Budget Act achieved General Fund savings in state employee compensation through the ratification of negotiated agreements between the state and 21 bargaining units. Among other cost saving measures, the ratified MOU addenda and side letters included a

personal leave program (PLP 2020) that achieved a savings for each day employee pay was reduced. Except for BU 8, which negotiated a PLP 2020 agreement for 2020-21, the PLP 2020 was approved by 20 other bargaining units for fiscal years 2020-21 and 2021-22 and varied in the amount of reduced pay depending on the bargaining unit. In addition, the agreements suspended employee contributions to prefund retiree health benefits in 2020-21 and 2021-22.

Major Provisions

Ratifies the side letters entered into between the state and Bus 7 and 8, notwithstanding the requirement for the LAO to produce a fiscal analysis as follows:

- 1) Approves provisions requiring the expenditure of funds for the side letters entered into by the state and BUs 7 and 8.
- 2) Authorizes the state or any of the bargaining units to reopen negotiations if funds for those provisions are not specifically appropriated by the Legislature. The bill provides that the provisions of the side letters that require expenditure of funds become effective even if those provisions are approved by the Legislature in legislation other than the annual Budget Act.
- 3) Appropriates additional funds necessary to implement the finalized salary survey for BU 5 and Judges.
- 4) Makes technical amendments to address chaptering out issues related to the side letter for BU 19 (AFSCME) that was ratified by the Legislature in June.
- 5) Makes a technical and clarifying amendment to reference the Proposition 2 Budget Stabilization Account for the one-time payment for Other Post-Employment Benefits (OPEB) that was adopted as part of the 2021-22 Budget Act in June.
- 6) Appropriates \$38,737,000 for expenditure in the 2021–22 fiscal year for the purpose of state employee compensation, as provided.
- 7) Includes provisions to take effect immediately.

COMMENTS

The side letter agreements between the state and BUs 7 and 8 are as follows:

Bargaining Unit 7

The MOU side letter agreement between the state and BU 7 (California State Law Enforcement Association) is, as follows:

- 1) The side letter modifies the existing MOU between BU 7 and the state to reflect an addition to the special salary adjustments. Effective September 1, 2021, employees in three classifications (Special Agent Trainee, Special Agent, and Special Agent Supervisor) employed at the Department of Justice will receive a 12% special salary adjustment.

Bargaining Unit 8

The MOU side letter agreement between the state and BU 8 (CAL FIRE Local 2881) is, as follows:

COMPENSATION

- 1) Salary Increase
 - a. Effective the July 1, 2021 pay period following ratification of the side letter, all BU 8 employees will receive a 2.5 percent salary increase.
- 2) Special Salary Adjustments
 - a. Effective the January 1, 2022 pay period following ratification of the side letter, all BU 8 Fire Protection employees and Specialty Classes shall receive additional compensation in the amount of 2.62 percent of base salary for the duration of the side letter.
- 3) PLP 2020
 - a. Provisions related to usage and compensability shall continue in the same manner as Vacation Policy/Annual Leave Use Policy.

MISCELLANEOUS

- 1) Joint Labor Management Committee
 - a. A joint labor management committee will be established and begin meeting within 60 days of ratification of the side letter to address issues of mutual concern including but not limited to hours of work, work schedules, recruitment and retention.
- 2) Contract Reopener Language
 - a. The parties agree to meet and confer upon finalization of the federal regulations regarding essential worker premium pay.

TERM

- 1) Effective July 1, 2021 to June 30, 2022

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill appropriates \$38,737,000 (\$14,946,000 General Fund) to implement the MOU side letters and the finalized salary surveys.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

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ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Michael Lucien / BUDGET / (916) 319-2099

FN:

SUMMARY

This cannabis trailer bill contains changes related to the 2021 Budget Act. The bill provides a statewide definition of equity applicants and licensees for the purpose of providing waivers for applications fees, licensing fees and renewal fees required under the Medicinal and Adult-Use Cannabis Regulations and Safety Act (MAUCRSA).

Major Provisions

Requires the Department of Cannabis Control (DCC) to develop and implement a program to provide waivers for application fees, licensing fees, and renewal fees required under MAUCRSA by January 1, 2022.

- 1) Requires DCC to develop and implement a program to provide deferrals for application fees, licensing fees, and renewal fees required under MUACRSA by January 1, 2023.
- 2) Deletes the term “local” in “local equity applicants and licensees” in the California Cannabis Equity Act of 2018.
- 3) Provides specified criteria for classification as an equity applicant and licensees, including a requirement that applicants and licensees individually or in combination with other persons who qualify as equity applicants or licensees own no less than 50% of the business that is in the process of being licensed or is licensed.
- 4) Appropriates \$10,000 from the General Fund to the Department of Cannabis Control for the purposes of implementing the provisions of the bill.

COMMENTS

This bill is a budget bill within the overall 2021-22 budget package to clarify the definition of equity applicant and licensees and the process by which the Department of Cannabis Control may offer fee waivers or deferrals.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill allocates \$10,000 from the General Fund to the Department of Cannabis Control for the purposes of implementing the provisions of the bill.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

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UPDATED

VERSION: September 7, 2021

CONSULTANT: Michael Lucien / BUDGET / (916) 319-2099

FN:

SUMMARY

This bill is the TK-12 omnibus Budget trailer bill amendments for the 2021-22 Budget Act, including technical amendments to clarify Legislative intent for independent study in the 2021-22 school year.

Major Provisions

- 1) Extends from 30 days to 60 days, the assignment maximum for substitute teachers authorized by the Commission on Teacher Credentialing, for the 2021-22 school year.
- 2) Adjusts the calculation formula for the California Prekindergarten Planning and Implementation grants, for pupil counts and minimum grant allocations.
- 3) Authorizes model curricula development through the California History-Social Sciences Project for Hmong history and cultural studies, the Vietnamese-American refugee experience, the Cambodian Genocide, and Native American studies.
- 4) Specifies that a single-subject mathematics credential, authorized by the Commission on Teacher Credentialing, should ensure that holder of a single subject credential in mathematics be qualified and authorized to teach courses in numbers and quantity, algebra, geometry, probability, and statistics.
- 5) Clarifies the match for the Classified School Employee Summer Assistance program.
- 6) Clarifies that Expanded Learning Opportunities Program funds must be used for the purposes of the program's standards and requirements.
- 7) Extends statutory deadlines for COVID-related pupil grade changes to October 1, 2021.
- 8) Authorizes independent study, pursuant to law, for students in non-voluntary public-health quarantine, beginning with day one of exclusion from in-person instruction.
- 9) Prohibits local education agencies from claiming funding for COVID-related attendance material decreases or closures through the process authorized for emergencies in EC Sections 46392, 46393, and 41422, with exceptions for individuals with exceptional needs prior to the required update to their individualized education program, pupils enrolled in a community day school, or agencies experiencing material decreases or closures due to COVID-19 staff quarantines.
- 10) Clarifies independent study law parameters for determining chronic absenteeism, to include a lack of instructional time for ten percent of more of an instructional month, or three school days or sixty percent of synchronous instruction in an instructional week.
- 11) Clarifies parent/guardian meeting request provisions for independent study.

- 12) Extends the deadline for an independent study contract agreement signature to 30 days after the beginning of independent study instruction, or October 15, 2021, whichever comes later.
- 13) Clarifies how synchronous independent study minutes are recorded for purposes for average daily attendance, attendance and participation, and tiered re-engagement strategies.
- 14) Clarifies that minimum independent study statutory requirements from the Budget Act apply to course-based independent study standards and audit standards.
- 15) Requires local education agencies receiving Coronavirus Federal Relief Funds to report unexpended balances by May 31, 2022 and authorizes the Department for collection of unspent funds.
- 16) Clarifies new Local Control and Accountability Plan reporting for concentration grant additions for student to adult ratios.
- 17) Makes various technical amendments for Education Code citations, federal fund and encumbrance adjustments, funding allocation procedures, and agency reporting deadlines.

COMMENTS

This bill is necessary to achieve Legislative intent for the TK-12 provision of the 2021-22 Budget Act, and specifically to ensure local education agencies are eligible to receive average daily attendance funding through independent study, for students in a required COVID-19 quarantine.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill appropriates \$1.03 million to the State Department of Education for model curricula development, and various federal fund adjustments.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Erin Gabel / BUDGET / (916) 319-2099

SUMMARY

This bill is the child care omnibus Budget trailer bill amendments for the 2021-22 Budget Act.

Major Provisions

- 1) Ensures Emergency Foster Bridge child care providers and migrant alternative payment programs are eligible for various pandemic relief and child care funding.
- 2) Provides authority to the Departments of Social Services and Education to determine if a time-based calculation adjustment is necessary for direct contracts shifting from the Standard Reimbursement Rate to the Regional Market Rate, beginning January 1, 2022, with notification to the Joint Legislative Budget Committee, and provides rule-making authority to both administrative agencies.
- 3) Various technical adjustments to appropriations to reflect actual federal funds available, encumbrance periods, and Education Code and Welfare and Institutions Code citations.

COMMENTS

This bill is necessary to achieve Legislative intent for the 2021-22 Budget Act provisions for child care.

According to the Author

Arguments in Support / Opposition

FISCAL COMMENTS

This bill allocates \$6.0 million general fund for Emergency Foster Bridge child care program costs, and makes various adjustments to federal funds for child care.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

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UPDATED

VERSION: September 7, 2021

CONSULTANT: Erin Gabel / BUDGET / (916) 319-2099

SUMMARY

This is the higher education clean up trailer bill in support of the Budget Act of 2021.

Major Provisions

This bill includes the following actions to clarify actions from the Budget Act of 2021, including:

- 1) **Higher Education Student Housing and Capacity Expansion Grant Programs.** Creates two new programs to support campus affordable student housing and campus capacity expansion projects. Appropriates \$500 million one-time General Fund in 2021-22 for student housing projects, and includes legislative intent to provide \$750 million in 2022-23, and \$750 million in 2023-24, for this purpose. Divides the appropriated and proposed funding by providing 50% to California Community Colleges, 30% to California State University, and 20% to the University of California. Creates a process in which campuses will propose student housing projects by October 2021 for selection in a subsequent budget act. Creates the campus capacity expansion program and includes legislative intent to provide funding for this program in a future budget action.
- 2) **Cal Grant for Students at Private Non-Profit Institutions.** Makes statutory changes to match Budget Act of 2021 actions to allow all Cal Grant students attending private non-profit institutions to receive a maximum award of \$9,220 in 2021-22.
- 3) **Golden State Teacher Grant Program.** Clarifies that teaching certificate students are eligible for this financial aid program if they attend a public institution or a teacher preparation program approved by the Commission on Teaching Credentialing that has a main campus location or administrative entity that resides in California, including teacher preparation programs operated by local educational agencies in California, if the student commits to working in a high-need field at a priority school for four years after the student receives the teaching credential.
- 4) **California Kids Investment and Development Savings Program.** Clarifies that students attending a state special school are eligible for the program, which provides college savings accounts to newborn and California K-12 students.
- 5) **Cradle to Career Data System.** Makes technical changes to the Cradle-to-Career Data System created in the Budget Act of 2021, including requiring that the system complies with the federal Privacy Act of 1974, and that data collected through this system shall be treated as personal information, as defined in Section 1798.3 of the Civil Code, and shall not be used or disclosed except for purposes consistent with this article and that personal information managed under this article shall be de-identified before being released to the public.
- 6) **Middle Class Scholarship Program.** Specifies the student household income eligibility ceilings to participate in the program. Clarifies that a student must submit a Free Application for Federal Student Aid or a California Dream Act application to participate in the program. The bill also requires the University of California (UC) and California State University (CSU) to provide at least the same level of institutional financial aid for students

as provided in 2021-22. Additionally, the bill requires UC and CSU to report on information regarding program participation, student loan amounts, and cost-of-attendance, among others, as specified. The bill also clarifies the award amount for students enrolled part-time.

- 7) **Selective Service.** Removes the requirement for male students to register with the Selective Service in order to receive a Cal Grant Award. This change aligns with the federal Free Application for Federal Student Aid Simplification Act.
- 8) **Cohort Default Rate.** Specifies that for the 2022-23 academic year, the California Student Aid Commission shall use the three-year cohort default rate certified in 2020 for an otherwise qualifying institution.

COMMENTS

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill appropriates \$500 million one-time General Fund and creates a program to support campus affordable student housing projects, appropriates funding for the Golden State Teacher Grant program and makes other clarifying or technical changes to higher education issues in the Budget Act of 2021.

VOTES

SENATE FLOOR: 29-8-2

Ayes: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

Noes: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Mark Martin / BUDGET / (916) 319-2099

FN:

SUMMARY

Amends the 2021 Budget act, AB 128 (Ting, Chapter 21 of 2021) to reflect changes necessary to implement the September budget actions.

Major Provisions

Makes changes to the 2021 budget act, includes:

- 1) Wildfire Prevention and Resilience Package. Appropriates \$988 million (\$758 million General Fund and \$230 million Greenhouse Gas Reduction Fund (GGRF)) in 2021-22, as follows:
 - a. \$541 million for Resilient Forests and Landscapes, including:
 - i. \$159 million to CalFire for forest health;
 - ii. \$40 million to CalFire for the California Forest Improvement Program (for small landowners);
 - iii. \$10 million to CalFire for the California Forest Legacy Program;
 - iv. \$9 million to CalFire for the restoration nursery;
 - v. \$20 million to CalFire for urban forestry;
 - vi. \$19 million to CalFire for tribal engagement;
 - vii. \$105 million to the Department of Parks and Recreation (Parks) for stewardship of state-owned lands;
 - viii. \$40 million to the Department of Fish and Wildlife (DFW) for stewardship of state-owned lands;
 - b. For wildfire prevention and resilience purposes on state conservancy lands:
 - i. \$36 million to Tahoe Conservancy;
 - ii. \$50 million to Sierra Nevada Conservancy;
 - iii. \$15 million to Santa Monica Mountains Conservancy;
 - iv. \$13 million to San Diego River Conservancy;
 - v. \$15 million to Los Angeles Rivers and Mountains Conservancy;
 - vi. \$10 million to State Coastal Conservancy, of which \$5 million for use by the San Francisco Bay Conservancy Program;
 - vii. \$282 million for wildfire fuel breaks, including:
 1. \$40 million to CalFire for unit fire prevention projects;
 2. \$120 million to CalFire for fire prevention grants;
 3. \$35 million to CalFire for prescribed fire and hand crews;
 4. \$27 million to the California Conservation Corps (CCC) for the Forestry Corps and CCC residential centers;
 - viii. \$20 million community hardening purposes, including:
 1. \$13 million to CalFire for defensible space inspectors;
 2. \$7 million to University of California Agriculture and Natural Resources (UC ANR) and the State Fire Marshal for land use planning and public education;
 - ix. \$49 million for science-based management, including:
 1. \$20 million to CalFire for monitoring, research and adaptive management;
 2. \$25 million to CNRA for remote sensing;

3. \$4 million to the Air Resources Board (\$2 million) and the State Water Resources Control Board (SWRCB) (\$2 million) for permit efficiencies;
 - x. \$51 million for forestry sector economic stimulus, including:
 1. \$31 million to the California Infrastructure and Economic Development Bank (IBank) for the Climate Catalyst Fund and market strategy;
 2. \$2 million to Governor's Office of Business and Economic Development (GO-Biz) for the Climate Catalyst Fund and market strategy;
 3. \$18 million to CalFire for workforce development;
 - xi. \$20 million to CalFire for a prescribed fire liability pilot program;
 - xii. \$24 million for other wildfire prevention and resilience purposes, including:
 1. \$14 million to CalFire for Contract Counties to perform fuel reduction work;
 2. \$10 million to CalFire for an interagency forest data hub;
- 2) Water Resilience Package: Appropriates \$855 million (\$730 million General Fund and \$125 million special fund) in 2021-22, including:
- a. \$120 million to the Department of Water Resources for implementation of the Sustainable Groundwater Management Act;
 - b. \$10 million to the California Department of Food and Agriculture (CDFA) for the State Water Efficiency and Enhancement Program;
 - c. \$130 million to DWR for flood protection purposes;
 - d. \$115 million to DWR for groundwater cleanup and water recycling;
 - e. \$100 million to the Wildlife Conservation Board for Streamflow Program (water supply for environmental flows);
 - f. \$30 million to SWRCB for per- and polyfluoroalkyl substances (PFAs) support;
 - g. \$20 million to DWR for an aqueduct solar panel pilot study;
 - h. \$25 million to DWR for watershed climate studies;
 - i. \$50 million to DOC for multi-benefit land repurposing;
 - j. \$165 million to CNRA water resilience projects;
 - k. \$40 million to DWR for the Salton Sea;
 - l. \$20 million to SWRCB for border rivers;
 - m. \$30 million to various agencies for urban streams and rivers;
 - n. The Water Resilience Package also includes additional funding of \$880 million in 2022- 23 and \$500 million in 2023-24. Including \$2.414 billion already approved in the Budget Act, the Water Resilience Package totals \$4.649 billion;
- 3) Climate Resilience Package. Provides \$369.2 million General fund in 2021-22, as follows:
- a. Extreme Heat:
 - i. \$50 million to CNRA for urban greening/urban forestry;
 - b. Multi-Benefit and Nature Based Solutions:
 - i. \$15 million to DFW to address climate change impacts on wildlife;
 - ii. \$31 million to WCB to protect fish and wildlife from changing conditions;
 - c. Building Ocean and Coastal Resilience:
 - i. \$12 million to Parks for state parks sea level rise adaptation strategy;
 - d. Building Community and Regional Climate Resilience:
 - i. \$115 to the Strategic Growth Council (SGC) for the Transformative Climate Communities program;
 - ii. \$10 million to SGC for regional climate collaboratives;
 - iii. \$10 million to OPR for climate adaptation and resilience planning grant;

- iv. \$5 million to OPR for vulnerable communities platform and Cal-Adapt mapping.
 - v. \$10 million to the California Environmental Protection Agency (CalEPA) for the Environmental Justice Initiative;
 - vi. \$5 million to CalVolunteers for the California Climate Action Corps.
 - vii. \$25 million to OPR and SGC for regional climate resilience planning and implementation;
 - viii. \$60 million to state conservancies for climate resilience purposes;
 - e. Strategic Climate Resilience Investments and Projects:
 - i. \$22 million to CNRA, OPR, and the California Energy Commission for purposes of the Fifth Climate Assessment;
 - f. The Climate Resilience Package includes an additional \$2.089.7 billion in 2022-23 and \$1.229.7 billion in 2023-24, totaling \$3.688.5 billion over three fiscal years.
- 4) Agriculture Package. Provides \$438 million (\$200 million General Fund and \$238 million special fund) in 2021-22, as follows:
- a. \$30 million to the California Department of Food and Agriculture (CDFA) for the California Farm to School Incubator Grant Program;
 - b. \$10 million to CDFA for the California Nutrition Incentive Program;
 - c. \$10 million to CDFA for the Healthy Refrigeration Grant Program.
 - d. \$12 million to CDFA for the Urban Agriculture Program;
 - e. \$25 million to CDFA for the Healthy Soils Program;
 - f. \$32 million to CDFA for Livestock Methane Reduction with priority given to the Alternative Manure Management Program;
 - g. \$15 million to CDFA for the Pollinator Habitat Program;
 - h. \$17 million to CDFA for technical assistance and conservation management plans;
 - i. \$9 million to CDFA for the Sustainable California Grown Cannabis pilot program;
 - j. \$213 million to CDFA for the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) program;
 - k. \$4 million to CDFA for impact assessment and alignment of regulatory reporting requirements for agriculture;
 - l. \$30 million to CDFA for Fresno-Merced Future of Food (F3) Innovation Initiative;
 - m. \$5 million to CDFA for New and Beginning Farmer Training and Farm Manager Apprenticeships Program;
 - n. \$5 million to CDFA for research in greenhouse gas emissions reduction in agriculture;
 - o. \$5 million to CDFA for the Invasive Species Council;
 - p. \$15 million to CDFA for the Farm to Community Food Hubs Program;
 - q. \$1 million to CDFA for Canine Blood Bank;
 - r. The Agriculture Package includes an additional \$417 million in 2022-23 and included \$246 million in the Budget Act, totaling \$1.1 billion over two fiscal years;
- 5) Circular Economy. \$75 million (\$65 million General Fund and \$10 million special fund) in 2021-22, as follows:
- a. \$3 million to the Department of Resources Recycling and Recovery (CalRecycle) for food waste prevention and rescue programs;
 - b. \$5 million to CalRecycle for community composting;
 - c. \$2 million to CalRecycle for Circular Economy development;
 - d. \$10 million to CalRecycle for co-digestion at wastewater treatment plants;

- e. \$20 million to CalRecycle for organics grants;
 - f. \$25 million to CalRecycle for the Recycling Market Development Zone Loan Program;
 - g. \$10 million to CalRecycle for the Quality Incentive Payment Program for plastic thermoforms;
 - h. The Circular Economy Package provides an additional \$65 million in 2022-23, totaling \$140 million over two fiscal years;
- 6) Cap and Trade Discretionary Spending Plan. Appropriates \$850 million GGRF, as follows:
- a. \$155 million to CalFire for Healthy & Resilient Forests;
 - b. \$260 million to ARB for AB 617 community air protection;
 - c. \$50 million to ARB for AB 617 local implementation;
 - d. \$10 million to ARB for AB 617 technical assistance;
 - e. \$170 million to ARB for agricultural Diesel engine replacement and upgrades;
 - f. \$25 million to CDFA for the Healthy Soils Program;
 - g. \$130 million to CalRecycle for waste diversion/recycling infrastructure;
 - h. \$70 million for organics grants
 - i. \$60 million for grants to local jurisdictions to assist in implementation of SB 1383 (Lara), Chapter 395, Statutes of 2016;
 - j. \$15 million to Department of Community Services and Development for the Low-Income Weatherization Program (LWIP);
 - k. \$5 million to ARB for woodstove replacements;
 - l. \$30 million to ARB for small off-road engines (e.g. leaf blowers);
 - m. The Cap and Trade Discretionary Spending Plan includes \$684 million already appropriated in the Budget Act. Total funding in the plan for 2021-22 is \$1.534 billion.
- 7) Parks-Related Appropriations. Includes the following:
- a. \$154.2 million to Parks for statewide urban rivers and waterways grant program;
 - b. \$6 million to Parks for City of La Puente for an urban forest park within the city limits;
 - c. \$1 million to State Coastal Conservancy for a coastal trail system in the Garripata State Park in Monterey County;
 - d. \$1 million for San Diego River Conservancy for Native American Tribal Conservation Corps pilot program;
 - e. \$1 million to WCB to appraise West Coyote Hills property in North Orange County;
 - f. \$1 million to the Secretary of Transportation for Highway 37 climate adaptation;
 - g. \$4 million to SGC for Green Means Go in Sacramento;
 - h. \$1 million to Cal OES for fire and public safety departments of the Cities of Lindsay, Woodlake, and Sanger in the counties of Fresno and Tulare for the purposes of public safety equipment to address wildfire risk and impacts.
- 8) Department of Fish and Wildlife Positions. Provides personnel year authority to DFW for 29 positions to help address issues related to cannabis, such as water theft and contamination of rivers and streams due to illegal grows;
- 9) Includes a prohibition on certain funds from being allocated for the purchase of fully automated cargo handling equipment;
- 10) Authorizes General Fund expenditure authority of \$40 million for the California Health Facilities Financing Authority (CHFFA) to provide cash flow loans to nondesignated public hospitals, due to the financial impacts of the COVID-19 public health emergency;
- 11) Reappropriates General Fund expenditure authority of \$67 million, originally authorized by the 2017 Budget Act, for CHFFA to support the Community Services Infrastructure Grant Program, which creates and expands community alternatives to incarceration in the

form of mental health treatment, substance use disorder treatment, and trauma-centered services;

- 12) Authorizes General Fund expenditure authority of \$7.5 million in 2021-22 for the Department of Health Care Services (DHCS) to support short-term residential therapeutic programs (STRTPs) with more than 16 beds that are ineligible for federal funding due to the federal exclusion on funding for Institutes for Mental Disease (IMDs);
- 13) Authorizes federal fund expenditure authority of \$1.6 million for DHCS to support behavioral health services for individuals impacted by the state's wildfires and the COVID-19 pandemic, pursuant to federal grants awarded to the state by the Substance Abuse and Mental Health Services Administration (SAMHSA);
- 14) Authorizes federal fund expenditure authority of \$6.9 million for DHCS to support testing and other COVID-19 response activities for substance use disorders services providers and organizations, pursuant to a federal grant awarded to the state by SAMHSA;
- 15) Authorizes reimbursement expenditure authority of \$503.9 million for the Department of Public Health (DPH) to support expanded testing, contact tracing, surveillance, containment, and prevention of COVID-19, pursuant to a federal Epidemiology and Laboratory Capacity (ELC) Enhancing Detection Expansion grant award from the Centers for Disease Control and Prevention (CDC);
- 16) Authorizes reimbursement expenditure authority of \$882.8 million for DPH to support school-based COVID-19 screening testing for teachers, staff, and students to assist schools in reopening safely for in-person instruction, pursuant to a federal ELC for Re-Opening Schools grant award from the CDC;
- 17) Authorizes federal fund expenditure authority of \$19.3 million for DPH to support strategies to improve COVID-19 response activities in populations that are highrisk and underserved, pursuant to a federal Health Disparities Grant award from the CDC;
- 18) Increase of \$16.7 million General Fund for the Department of Social Services to provide assistance to Afghan citizens evacuated from Afghanistan;
- 19) Increase of \$44 million in federal relief funding for the Department of Social Services to increase participation in the CalFresh program;
- 20) Increase of \$11.7 million General Fund for the Department of Social Services to reflect 25 percent increase to California Food Assistance Program benefit amounts, consistent with federal policy change;
- 21) Increase of \$10.4 million General Fund for the Department of Social Services to assist Short-Term Residential Treatment Program providers reduce capacity to continue receiving Medicaid funding, due to federal law changes;
- 22) \$139.2 million increase in expenditure authority for the Department of Aging to accept and expend one-time federal relief funding;
- 23) Removes \$200,000 General Fund for the Racial Equity Advisory Council, to continue discussions for the Office of Racial Equity as proposed in Senate Bill 17;
- 24) Adjusts the Secretary of State's expenditure authority from the Business Fees Fund by \$2.2 million for the California Business Connect project;
- 25) Adds provisional language that allows the Department of Finance to augment expenditures from the Cannabis Control Fund for additional proprietary plant and package tags for the California Track and Trace program, with notification to the Joint Legislative Budget Committee;
- 26) Increases the transfer authority from the General Fund to the State Project Infrastructure Fund by \$11.5 million for purposes of the Capitol Annex;
- 27) Increases the federal fund authority by \$1.6 million total for the California Arts Council to reflect receipt of American Rescue Plan Act funding from the National Endowment for the Arts;

- 28) Reappropriates \$12.1 million to allow the California Arts Council to encumber unspent funds for grant distribution to various arts organizations;
- 29) Increases the federal fund authority by \$23.4 million for the California Department of Veterans Affairs to reflect receipt of American Rescue Plan Act funding intended for veterans homes nationwide;
- 30) Makes various clarifying and technical changes and includes additions to Control Sections 19.56 and 19.57;
- 31) Makes a \$52.7 million supplemental appropriation for the construction phase of the Judicial Branch's Stanislaus-New Modesto Courthouse;
- 32) Allocates \$30 million General Fund in 2021-22 and ongoing to increase the number of court reporters in family law and civil law cases;
- 33) Includes \$30 million General Fund in 2021-22 for the Court Interpreter Employee Incentive Grant;
- 34) Makes \$7 million in 2021-22 and ongoing available to the Judicial Council to establish a methodology to allocate a share of resources to all courts to cover the costs associated with the increased transcript rates;
- 35) Includes \$500,000 General Fund in 2021-22 for the Transcript Reimbursement Fund. These funds are available to reimburse applicants that could not be reimbursed during the years 2017 to 2020, inclusive, and for applicants that seek reimbursement after 2020;
- 36) Augments the amount available to the Department of Justice in 2021-22 for participation in the California Highway Patrol Retail Theft Task Force by \$102,000. The total available is now \$251,000;
- 37) Includes \$100,000 to the Board of State and Community Corrections for administrative and project support costs associated with Sections 19.56 and 19.57;
- 38) Specifies that of the Elementary and Secondary School Emergency Relief state set-aside funds appropriated for state operations, \$1.2 million is available for the State Board of Education. Funds will be used to support six additional positions for the State Board of Education;
- 39) Provides an increase in expenditure authority of \$814,000 Teacher Credentialing Fund and 5.0 positions in fiscal year 2021–22 for the Commission on Teacher Credentialing to support outreach, contracting, and administration of grants and updates to teacher testing;
- 40) Updates the amount and authority for the federal Emergency Assistance to NonPublic Schools Grant Program, the federal Governor's Emergency Education Relief Fund and the Elementary and Secondary School Emergency Relief fund to reflect updated federal funding amounts and available carryover funds;
- 41) Makes a variety of other changes to federal funds items to reflect updated federal grant awards;
- 42) Provides \$6 million to include the Emergency Child Care Bridge Program in onetime hold harmless and 16 additional paid non-operational days provisions;
- 43) Shifts \$10 million from local assistance state operations to support a contract for California Preschool Learning Foundations;
- 44) Shifts a total of \$4.2 million in General Fund from the Department of Social Services to the Department of Education and provides authority for the shared administration of the Child and Adult Care Food Program between the departments in the 2021-22 fiscal year;
- 45) Clarifies that \$20 million is appropriated in one-time federal funds for Resource and Referral agencies and of this, \$10 million is provided for each of the 2021-22 and 2022-23 fiscal years;
- 46) Updates the daily rate reference for the California State Preschool Program; and
- 47) Makes a variety of reference updates and other technical changes.

COMMENTS

AB 170 and SB 170 are identical bills that amend the 2021 budget package to reflect an agreement between the Legislature and the Administration reached in September of 2021 on a number of budget issues that were unresolved in the July budget agreement. The 2021 Budget Act, AB 128 (Ting, Chapter 21, Statutes of 2021) has previously been amended by AB 161 (Ting, Chapter 43, Statutes of 2021), SB 129 (Skinner, Chapter 69, Statutes of 2021) and AB 164 (Ting, Chapter 164, Statutes of 2021).

The July budget agreement purposes set aside funding for a variety of policy objectives, to provide an opportunity to negotiate the details of that funding over the summer. This bill primarily reflects the outcome of those negotiations, which are contained in budget amendments and 14 related trailer bills in the budget package. The major elements of this agreement are listed below:

Wildfire Prevention and Forest Health

Appropriates an additional \$913 million for wildfire prevention and forest health in budget year 2021-2022. Budget year funding includes \$159 million for Forest Health grants, \$120 million for Fire Prevention grants, \$40 million for the Forest Health Improvement Program for Small Landowners, \$181 million for stewardship of state-owned lands, \$53 million for various conservancies, \$27 million for the forestry corps, \$13 million for defensive space inspectors, \$20 million for a Prescribed Fire Liability Pilot Program, and \$14.3 million for contract counties to hire additional fuels crews. This increases the total appropriation this year, including early action and cap and trade funding, to \$1.524 billion.

Parks Access

Appropriates an additional \$200 million to build and preserve parks around the State. This includes \$155 million to develop a new grant program to build parks along urban waterways and \$31 million to transfer the Alameda-Tesla Expansion Area to a non-off highway vehicle access park and identify a new off highway vehicle park. This increases the annual total to \$453 million for parks access.

Climate Resilience

Adopts a three year, \$3.688 billion Climate Resilience package, with \$369 million in budget year. Budget year spending includes \$115 million for Transformative Climate Communities, \$50 million for Urban Greening and Urban Forestry, \$31 million to the Wildlife Conservation Board, \$60 million to various conservancies, \$25 million to the Strategic Growth Council for regional climate resilience planning and adaptation grants.

Water and Drought Resilience

Allocates an additional \$855 million in budget year for water and drought resilience, and adopts a three year \$4.649 billion package. This increases budget year spending to \$3.269 billion with \$880 million for 2022-2023 and \$500 million for 2023-2024. Additional funding for this year includes \$120 million for the Sustainable Groundwater Management Act program with at least \$60 million for the San Joaquin Valley, \$115 million for water recycling and groundwater cleanup, \$30 million for PFAS cleanup, \$50 million for multibenefit land repurposing, \$40 million for Salton Sea, and \$20 million for border rivers.

Sustainable Agriculture

Funds an additional \$438 million in budget year for Sustainable Agriculture. This includes \$10 million for Healthy Refrigeration Grants, \$10 million for the California Nutrition Incentive Program, \$15 million for the Pollinator Habitat Program, \$213 million for the FARMER Program, \$30 million for the F3 Future of Food Innovation Initiative, and \$15 million for Farm to Community Food Hubs. This also lays out a \$417 million funding plan for next year, bringing the two year package to \$1.1 billion.

Circular Economy

Approves \$75 million in budget year and \$65 million in 2022-2023 for a combined \$140 million two year Circular Economy package. Budget year appropriations include \$25 million for loans, \$10 million for plastic Quality Improvement Payments, and \$20 million for Organics Grants.

Cap and Trade

Appropriates an additional \$850 million, bringing the annual total to \$1.534 billion. Many items funded with GGRF are found in other packages but stand-alone items include \$320 million for AB 617 programs, \$130 million for CalRecycle to create an organic waste infrastructure grant program, \$30 million to create an incentive program for zero-emission small off road engines including leaf blowers and lawnmowers, and \$15 million for the Low Income Weatherization Program.

Higher Education Student Housing and Capacity Expansion Grant Programs.

Creates two new programs to support campus affordable student housing and campus capacity expansion projects. Appropriates \$500 million one-time General Fund in 2021-22 for student housing projects, and includes legislative intent to provide \$750 million in 2022-23, and \$750 million in 2023-24, for this purpose. Divides the appropriated and proposed funding by providing 50% to California Community Colleges, 30% to California State University, and 20% to the University of California. Creates a process in which campuses will propose student housing projects by October 2021 for selection in a subsequent budget act. Creates the campus capacity expansion program and includes legislative intent to provide funding for this program in a future budget action.

Other issues

This bill includes \$16.7 million General Fund to the Department of Social Services to address the needs of Afghan nationals.

This bill also contains other technical and clean up issues related to the budget, including revisiting a control section that reflected Legislative priorities. Additionally this bill assume the following actions.

- 1) **Supplemental Reporting Language (SRL): Forestry Management Training Center.** Includes SRL as follows: “The Legislative Analyst’s Office shall consult with CalFire and other appropriate stakeholders, including the California Conservation Corps, to develop options for the Legislature to consider for creating a forestry management training center in Northern California. It is the intent of the Legislature to consider approving the center during the budget process for the 2022-23 state budget.

- 2) **DFW Positions.** Provides personnel year (PY) authority to DFW for 29 positions to help address issues related to cannabis, such as water theft and contamination of rivers and streams due to illegal grows.

According to the Author

This bill implements the September changes to the 2021 budget package.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

The July 2021 budget package intentionally set aside funding for major priorities in resources, wildfire prevention, climate, drought, higher education, workforce development, energy and transportation. This bill largely represents the appropriation of these funds, which were already contained in the overall accounting for the final budget package.

While most provisions of this bill and budget package were assumed in July, there are a small number of new items included. Assembly staff estimates that there are approximately \$20 million General Fund in new unanticipated items that were not included in the scoring of the July budget package, the largest being \$16.7 million of funding to assist Afghan citizens arriving in California. However, overall adoption of this bill will result in an overall lower level of state expenditures than anticipated in the July budget. The July package assumed funding for various priority areas that were not ultimately appropriated in this September budget package. This includes \$3.3 billion for transportation, \$735 million for energy programs over two-years, and \$125 million for 2021-22 and \$100 million ongoing for criminal fines and fees relief. While the intent is to continue discussions between the legislature and the administration to reach agreement on a spending plan for these items, these balances will most likely revert to the Special Fund for Economic Uncertainties reserve in 2021-22 to be available for the 2022-23 fiscal year budget discussion.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Christian Griffith / BUDGET / (916) 319-2099

SUMMARY

This is a health trailer bill which is necessary to implement various provisions of the Budget Act of 2021.

Major Provisions

This bill makes changes necessary to implement the Budget Act of 2021, affecting the budgets of the Department of Health Care Services (DHCS), the State Department of Social Services, the California Department of Aging, the State Department of Public Health, the State Department of Developmental Services, the State Department of Rehabilitation (DOR), and the Department of Health Care Access and Information. Specifically, this bill:

- 1) Requires DHCS, subject to an appropriation, to implement the state's Medi-Cal Home and Community Based Services Spending Plan (Plan), contingent upon federal approval, and:
 - a. Stipulates that any payments received by an individual as part of these services shall not be counted as income and therefore shall not affect eligibility or benefits;
 - b. Authorizes DHCS to implement the Plan through all-county letters and other forms of communication, without developing regulations;
 - c. Exempts DHCS from statutory competitive contracting requirements for implementing this Plan; and
 - d. Authorizes DOR to allocate Plan funding to existing Traumatic Brain Injury (TBI) service providers on a non-competitive basis, exempts TBI service providers from being required to provide a match for the grant award, and provides flexibility with regard to the timing of the TBI grant awards.
- 2) Requires DHCS, subject to an appropriation, to complete an independent evaluation of network adequacy necessary to obtain federal approval for a covered Medi-Cal benefit that provides housing support services, and requires DHCS to report the outcomes of the evaluation to the Legislature by January 1, 2024. Exempts DHCS from statutory competitive contracting requirements to implement this evaluation.
- 3) Extends the sunset by one year, until January 1, 2023, on time and distance standards currently required of Medi-Cal managed care plans that ensure adequate access to these services.
- 4) Appropriates \$6,434,000, for the 2021-22 fiscal year, from the Federal Trust Fund to DHCS to support community mental health services.
- 5) Declares that this bill is related to the Budget Bill and shall take effect immediately.

COMMENTS

This bill is a budget trailer bill within the overall 2021-22 budget package, primarily to implement the state's Home and Community Based Services Spending Plan, funded by a federal grant of approximately \$3 billion. The federal grant requires the state to expend these funds by March 31, 2024. This bill provides the flexibility that various state departments implementing the Plan need to expend this sizable amount of money in the short timeframe that is allowed.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This bill provides flexibility to various state departments needed to implement the state's Home and Community Based Services Spending Plan with a \$3 billion federal grant.

The bill also appropriates \$6,434,000 in federal American Rescue Plan Act of 2021 (ARPA) funds to DHCS for the Community Mental Health Services Block Grant Program in 2021-22.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Andrea Margolis / BUDGET / (916) 319-2099

FN:

SUMMARY

This is the Human Services trailer bill, containing clean-up and other provisions to accompany changes made to the 2021 Budget Act.

Major Provisions

This bill does the following:

1. Clarifies recently enacted changes to require a local child support agency to cease enforcement of child support arrearages assigned to the state and other fees and costs owed to the state when the Department of Child Support Services (DCSS) or local child support agency has determined that the amount is uncollectible.
2. Eliminates references to the Sonoma Developmental Center, which is no longer in operation.
3. Defines for the purposes of the California Community Care Facilities Act a “group home for children with special health care needs,” addressing an issue created as a result of a section of recently enacted law being chaptered out.
4. Requires certain group homes for children to be vendored by a regional center, addressing an issue created as a result of a section of recently enacted law being chaptered out.
5. Specifies that a child is not eligible for Aid to Families with Dependent Children-Foster Care (AFDC-FC) if they are placed in a group home for children with special health care needs, addressing an issue created as a result of a section of recently enacted law being chaptered out.
6. Requires that, for purposes of determining the individuals who may access a juvenile case file, a qualified individual, as defined, be considered a member of the child’s multidisciplinary team.
7. Requires the State Department of Social Services (DSS), subject to an appropriation for this purpose, to compile and report annual performance and outcome data on the implementation of sexual and reproductive health training and education and the availability and use of sexual and reproductive health care services. Requires enumerated performance and outcome data to be included in the report and would require the DSS to consult with an existing working group in selecting additional performance and outcome data measures to include in the report. Requires the report to be completed annually, beginning July 1, 2023, and to be posted on the department’s internet website.
8. Clarifies, commencing July 1, 2022, California Work Opportunity and Responsibility to Kids (CalWORKs) program rules regarding recipient and applicant family income, aligning to changes made in the Human Services Omnibus trailer bill, Assembly Bill 135 (Chapter 85, Statutes of 2021). Provides that a recipient family is not eligible for further aid if the family’s reasonably anticipated income, less exempt income, exceeds specified

income reporting thresholds, and would also prohibit an applicant family from receiving aid if the family's reasonably anticipated income, less exempt income, as specified, equals or exceeds the maximum aid payment.

9. Aligns the \$47 per month benefit paid to a pregnant person qualified for CalWORKs aid, to meet special needs resulting from pregnancy, for both recipients and applicants. Requires the county human services agency to require a pregnant person to provide medical verification of pregnancy, as specified.
10. Authorizes the State Department of Education and the DSS to share data for the limited purposes of administering the Pandemic Electronic Benefit Transfer (P-EBT) food benefit program, including, but not limited to, identifying eligible students and evaluating program outcomes. Authorizes this data sharing to continue until the P-EBT program is terminated by federal law or federal approval to administer the program expires.
11. Abolishes the Office of Health Information Integrity and the Office of Patient Advocate, establishes the Center for Data Insights and Innovation (CDII) within the California Health and Human Services Agency, and transfers the duties of the Office of Health Information Integrity and the Office of Patient Advocate to the CDII.
12. Requires the CDII to assume responsibility for administering the State Committee for the Protection of Human Subjects.
13. Establishes the Center for Data Insights and Innovation Fund and, upon appropriation by the Legislature, make moneys in the fund available to the CDII to accomplish its duties.
14. Establishes the Health Plan Improvement Trust Fund and, upon appropriation by the Legislature, make the moneys in the fund available to administer various duties relating to monitoring the quality of health care and patient experience.
15. Requires the CDII to keep all personal information obtained by the center confidential, as specified. Requires the CDII to meet various requirements with regard to the disclosure of information, including the development of a comprehensive program regarding the disclosure of information to qualified researchers according to specified data use agreements. Specifies that a violation of those data use agreements would be a misdemeanor. By creating a new crime, this bill imposes a state-mandated local program.
16. Repeals provisions that had authorized the California Health and Human Services Agency, or one of the departments under its jurisdiction, to apply for federal funds made available through the federal American Recovery and Reinvestment Act of 2009 (ARRA) for health information technology and exchange, and that established the California Health Information Technology and Exchange Fund for these purposes.
17. Repeals provisions that had authorized the Office of Health Information Integrity to establish and administer demonstration projects to evaluate potential solutions to facilitate health information exchange that promote quality of care, respect the privacy and security of personal health information, and enhance the trust of the stakeholders.
18. Makes legislative findings regarding limiting the public's right of access and that the CDII will have access to personal health information and as such, it is crucial that the information in its possession not be available to the public.

19. Deletes a requirement for the California Guaranteed Income Pilot Program, administered by the DSS, that the commitment of additional funds be from nongovernmental sources. Conditions the receipt of grant funds on the eligible entity presenting a plan to provide certain benefits counseling and informational materials to individuals receiving guaranteed income payments funded with a grant.
20. Requires the DSS to administer the Career Pathways Program for providers of in-home supportive services, related services, or waiver personal care services, to increase the quality of care, recruitment and retention of providers for recipients and to provide training opportunities for career advancement in the home care and health care industries. Requires implementation of the program as a pilot project no later than September 1, 2022, or as soon as necessary automation changes permit, and would remain operative until March 31, 2024, or until a later date, subject to an appropriation.
21. Sets forth the objectives and curriculum of the Career Pathways Program, certain criteria for provider participation in the program, and incentive payments for completion of specified activities. Requires the DSS to review and approve proposed training curriculum, enter into agreements with qualified third-party entities, and determine the methodology and distribution of appropriated funds. Specifies that the provider participation in the training would be voluntary and at no cost to providers, and providers would be compensated for each hour of training, without requiring counties or public authorities to provide any funding for the training compensation.
22. Requires the DSS to contract with another entity to complete an evaluation of the Career Pathways Program. Requires the submission of an interim report, as specified, to the Legislature by March 1, 2023, with a final report of the evaluation of the pilot project submitted to the Legislature by December 31, 2024.
23. Establishes the Community Care Expansion (CCE) Program, under which the DSS would award grants, upon appropriation of funds in the annual Budget Act and as specified in the annual Budget Act, to qualified grantees to preserve or expand capacity of residential adult and senior care facilities through the acquisition, construction, or rehabilitation of property, or to grantees to provide capitalized operating subsidy reserves to existing licensed residential adult and senior care facilities that serve at least one qualified resident, in order to avoid the closure of facilities, and to increase the acceptance of new qualified residents.
24. Defines “qualified resident” for the CCE Program to mean applicants for or recipients of benefits in the Supplemental Security Income/State Supplementary Program for the Aged, Blind and Disabled (SSI/SSP) or Cash Assistance Program for Immigrants (CAPI) who need the care and supervision that is provided by the licensed facility that receives the grant.
25. Requires the DSS to develop criteria for the program, including the methodology and distribution of the funds awarded to grantees under the program. Requires funds awarded pursuant to the program to be used to supplement, and not supplant, other funding available from existing local, state, or federal programs or from grants with similar purposes.
26. Expands the exclusion related to a low-rent housing project to include the development of an adult or senior care facility that meets one or more of specified criteria.

27. Reappropriates up to \$458,000 of the unencumbered balance of a budget item from the Budget Act of 2020, to be available for encumbrance or expenditure until June 30, 2022, from the Federal Trust Fund to the State Council on Developmental Disabilities.
28. Provides that with regard to certain mandates no reimbursement is required by this act for a specified reason. Provides that, with regard to any other mandates, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to state law.
29. Declares that this measure is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

COMMENTS

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

The funding related to the changes in this bill is contained in the Budget Act of 2021.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Nicole Vazquez / BUDGET / (916) 319-2099

FN:

SUMMARY

The Public Safety Trailer bill includes provisions to implement the Budget Act of 2021.

Major Provisions

Specifically, this bill:

- 1) Includes the state office building located at 1021 O Street in Sacramento onto the list of locations, including the State Capitol and legislative offices, where bringing or being in possession of a loaded firearm or other specified weapon is prohibited and punishable as either a misdemeanor or felony.
- 2) Clarifies the process and parameters of disclosure of specified information to the California Firearm Violence Research Center at UC Davis by the Department of Justice (DOJ) for research or statistical activities. The DOJ may at its discretion, also disclose specified information, to other nonprofit bona fide research institutions that are accredited by the United State Department of Education or the Council for Higher Education Accreditation for the study of violence prevention in the matter prescribed. Requires that any material identifying individuals to only be used for research and statistical purposes and prohibits reports or publications derived from the material from identifying any specific individuals. Requires DOJ to establish procedures for these requests and allows researchers to be charged reasonable fees related to their requests.
- 3) Includes chaptering amendments for Senate Bill 715 (2021) for Penal Code Sections 11106 and 28220 to address potential chaptering out conflicts.

COMMENTS

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This trailer bill makes an appropriation of \$10,000 to the Department of Justice to implement the provisions of this bill.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: Sepember 5, 2021

CONSULTANT: Jennifer Kim / BUDGET / (916) 319-2099

FN:

SUMMARY

This trailer bill contains changes necessary to implement the 2021 Budget Act related to transportation. Specifically, this bill:

Major Provisions

1. Deletes the requirements relating to the publication and distribution of the complete text of the Vehicle Code and makes various conforming changes.
2. Requires the Department of Motor Vehicles to verify that an applicant's thumbprint or fingerprint is on file before issuing a driver's license or an identification card.
3. Requires that an original application for a driver's license or identification card be signed under penalty of perjury.
4. Allows until January 1, 2023, a driver's license renewal by mail for a person 70 or older. Existing law prohibits a driver's license renewal by mail for a person 70 or older.
5. Requires, on or before January 1, 2023, that an insurer that issues commercial and fleet insurance policies to additionally submit these reports electronically. Existing law requires an insurer that issues specified private passenger liability insurance policies and coverages to submit those reports to the DMV of all motor vehicle liability policies or coverages issued, changed or terminated.
6. Limits, with respect to motor carrier, the carrier identification number requirement to those whose principal place of business is in this state, who operate from a terminal in this state or who are required to be licensed to transport hazardous materials, as specified.
7. Exempts rental vehicles that meet federal identification requirements from the requirements to display a motor carrier identification number.

COMMENTS

This is a budget bill within the overall 2021-22 budget package necessary to implement actions related to transportation.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

Provides \$1,630,000 from the General Fund for San Francisco Metropolitan Transportation Authority for the Fulton Street Safety and Transit Project west of Arguello Street.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Genevieve Morelos / BUDGET / (916) 319-2099

FN:

SUMMARY

This trailer bill contains changes necessary to implement the 2021 Budget Act related to housing and homelessness. Specifically, this bill:

Major Provisions

SB 1079 Clean up

1. Makes clarifying amendments to SB 1079 (Chapter 202, Statutes of 2020) related to residential property foreclosure including:
 - a. Specifying the form of affidavit or declaration that prospective bidders must use to attest to their status, in order to ensure that a uniform and legally binding form is used. The form is set forth in longstanding Code of Civil Procedure Section 2015.5.
 - b. Closing loopholes that might allow a foreclosed-on owner to reacquire their property, such as if the owner had held the property in a living trust prior to foreclosure.
 - c. Ensuring that foreclosure trustees have bidders' phone numbers and addresses.
 - d. Clarifying that foreclosure trustees must not provide prospective bidders with any information beyond what is specified in statute, in order to ensure an equal chance for all bidders.
 - e. Clarifying that bids, and notices of intent to bid, must be received by foreclosure trustees no later than 5 p.m.
 - f. Providing foreclosure trustees additional time to record deeds.
 - g. Establishing an effective date of January 1, 2022 in order to give foreclosure trustees, as well as prospective bidders (including community land trusts, affordable housing providers, other nonprofits, and public entities that seek to utilize the law) time to adjust their processes.

Cal Expo Lot Z

2. Authorizes the Cal Expo board of directors to enter a 5-year agreement with the City of Sacramento and the County of Sacramento for the Cal Expo Lot Z, to provide emergency shelter and other services to individuals experiencing homelessness.
3. Authorizes the city and county to contract with a service provider and authorizes the city and the county to include mental health and substance abuse programs and emergency and interim housing solutions on the Cal Expo Lot Z property.
4. Requires the governing bodies of the city and county to each approve any agreement for the use of the Cal Expo Lot Z property at an open meeting.
5. Requires the city and county to prioritize the provision of emergency shelter and services to specified persons illegally camping in areas of the American River Parkway.

6. Provides that any agreement pursuant to these provisions are exempt from the Bushy Lake Preservation Act and the Urban American River Parkway Preservation Act.

Metro North Hollywood Joint Development Project

7. Provides that the surplus land disposal procedures as they existing on December 31, 2019, apply if a local agency, as of September 2019 has entered into an exclusive negotiating agreement or legally binding agreement to dispose of property related to the Metro North Hollywood Joint Development Project. Provides that the disposition shall be completed no later than December 31, 2024.

Homeless Housing, Assistance, and Prevention Program 3.0 and 4.0 Clean Up

8. Makes technical amendments to the HHAPP 3.0 and 4.0 programs included in AB 140 (Chapter 111, Statutes of 2021).

Regional Early Action Planning (REAP) Grants Program

9. Makes technical amendments to the REAP Grant program included in AB 140 (Chapter 111, Statutes of 2021), including:
 - a. Specifying that a grant recipient shall obligate funds no later June 30, 2024, and expend funds no later than June 30, 2026. Additionally, extends from June 30, 2025 to June 30, 2026, the timeline for submitting a final report for a grant recipient.

COMMENTS

1. This is a budget bill within the overall 2021-22 budget package necessary to implement actions related to housing and homelessness.
2. The Metro North Hollywood Joint Project Development will provide about 1,530 units at the North Hollywood light rail station and includes 20% affordable units which is about a little more than 300 units.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

Appropriates \$30 million for support of the Department of Industrial Relations for strategic enforcement focused on construction, alteration, and repair projects for publically funded residential projects, including the Multifamily Housing Program.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Genevieve Morelos / BUDGET / (916) 319-2099

FN:

SUMMARY

This trailer bill contains changes necessary to implement the 2021 Budget Act related to economic development. Specifically, this bill:

Major Provisions

1. Makes technical and clarifying changes to the California Small Business Development Technical Assistance Expansion Program, the California Small Business COVID-19 Relief Grant Program, the California Microbusinesses COVID-19 Relief Grant Program, the California Venues Grant Program, including to the definition of “qualified small business” for purposes of the California Small Business COVID-19 Relief Grant Program.

Nonprofit Performing Arts Grant Program

2. Reduces the amount of program funds to be allocated to the eligible nonprofit performing arts organization from \$50 million to \$49.5 million.
3. Provides that a registered 501 (c)(3) nonprofit entity may be eligible without regard to its annual gross revenue if it serves as a fiscal sponsor for entities that are qualified small businesses, as specified.

California Competes Grant Program

4. Makes technical and clarifying amendments to the California Competes Grant program.
5. Extends the recapture provisions included in California Competes Grant program to the California Microbusiness COVID-19 Relief Grant Program and the California Venues Grant Program.

AB 85 Clean up (Chapter 8, Statutes of 2020)

6. Requires the dealer to pay the applicable sales tax and any applicable use tax imposed under the Transaction and Use Tax law, and makes these provisions applicable to a motor vehicle. Provides that a motor vehicle, excludes a recreational vehicle that is either truck-mounted, permanently towable on the highways without a permit or park trailer, as these terms are used in Section 18010 of the Health and Safety Code.
7. Makes conforming changes and declares the changes do not constitute a change in, but are declaratory of existing law.

FTB Debt Collection Language

8. Establishes protections to limit the maximum amount of disposable earnings of a debtor subject to collection to a specified amount also apply to wage garnishments and bank levies used to collect unpaid taxes and other delinquent amounts by the Franchise Tax Board. These protections apply to any garnishment order or bank levy issued on or after January 1, 2022.

Homeless Hiring Credit

9. Revises and clarifies provisions relating to certification procedures for the qualified taxpayer and the employed individual with regard to Homeless Hiring Credit.

Film Tax Credit

10. Provides that the California Film Commission, rather than GO-Biz, is the agency responsible for adopting regulations to implement the motion picture film credit.
11. Requires the diversity work plan, with regard to the certified studio construction project credit to additionally include diversity goals the motion picture will achieve in terms of qualified paid wages paid by ethnicity, in addition to race and gender, and would require those goals to be broadly reflective of California's population.

Gross Income Grant Allocations Exclusions

12. Excludes from gross income grant allocations received by a taxpayer pursuant to the California Venues Grant Program under both the Personal Income Tax Law and the Corporation Tax law, for taxable years beginning on or after September 1, 2020, and before January 1, 2023.
13. Excludes from gross income grant allocations received by a taxpayer pursuant to the California Microbusinesses COVID-19 Relief Grant Program under the Corporations Tax law for taxable years beginning on or after September 1, 2020, and before January 1, 2023.

Other Provisions

14. Makes a technical changes to the Golden State Stimulus II tax refund payment by deleting the word rebate and replacing it with payment.
15. Revises performance indicators used in determining whether the California Competes Tax Credit meets its various goals, purposes, and objectives would provide that the Legislative Analyst's Office instead collaborate with GO-Biz.
16. Includes a severability clause.

COMMENTS

This is a budget trailer bill within the overall 2021-22 budget package necessary to implement actions related to economic development.

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

Appropriates \$10,000 from the General Fund to the Office of Small Business Advocate for purposes of implementing the provisions of this Act.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Genevieve Morelos / BUDGET / (916) 319-2099

FN:

SUMMARY

The Public Safety trailer bill related to courts includes provisions necessary to implement the 2021 Budget Act. This bill also includes the repeal of various criminal administrative fees and other technical changes.

Major Provisions

Specifically, this bill:

- 1) Extends the use of remote court proceedings as authorized under the Governor's March 2020, Executive Order N-38-20. The section authorizing this extension is in effect until January 31, 2022 and as of that date, shall be repealed.
- 2) Establishes a workgroup convened by the Judicial Council to recommend a statewide framework for remote civil court proceedings that includes among others, judges, court reporters, court interpreters, and court executive officers.
- 3) Requires the Judicial Council to submit a report to the Legislature and the Governor on the use of remote technology in civil actions by trial courts by January 1, 2023.
- 4) Increases the transcript rate for court reporters to \$1.13 for each 100 words and requires the Judicial Council to provide recommendations to the Legislature to increase uniformity in the transcription rate expenditures in the state on or before January 1, 2024.
- 5) Eliminates 17 criminal administrative fees as of January 1, 2022 and as of January 1, 2022, makes the remaining balance of these specific court imposed fees as of December 31, 2021, unenforceable, uncollectible, and vacates any portion of a judgment imposing these fees. Provides appropriate backfill to counties for revenues lost as a result of the repeal of these specified fees. The criminal administrative fees that will be repealed are California Penal Code Sections 1203.4(a), 1203.9, 2085.5, 2085.6, 1001.90, 1202.4(l), 1203.1(l), 1203.1ab, 1203(1)(c), 1203.1(m), 1205(e), 1214.5, 2085.7, 1001.15, and 1001.16, and Vehicle Code Sections 40510.5 and 40508.5.
- 6) Makes technical amendments to AB 1869 (Committee on Budget), Chapter 92, Statutes of 2020.
- 7) Clarifies that an individual or their designee or attorney, upon certification, can access the Judicial Council's online tool to determine their eligibility to obtain an ability to pay determination.
- 8) Includes chaptering amendments for AB 1281 (2021) for Penal Code Section 1203.4(a) and AB 898 (2021) for Penal Code Section 1203.9 to address potential chaptering out conflicts.

COMMENTS

According to the Author

Arguments in Support

Arguments in Opposition

FISCAL COMMENTS

This trailer bill makes an appropriation of \$25 million General Fund in 2021-22 and \$50 million General Fund in 2022-23 and ongoing thereafter, to counties to backfill the loss in revenue for the eliminated criminal administrative fees.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

VERSION: September 7, 2021

CONSULTANT: Jennifer Kim / BUDGET / (916) 319-2099

FN: