

Assembly Budget Committee Hearing
Tuesday, August 30, 2022

2022 August Budget Bills

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SUMMARY

Amends the 2022 Budget Act to reflect changes necessary to implement the August adjustments to the budget bill.

Major Provisions

Specifically this bill,

- 1) Makes various technical adjustments to encumbrance periods, reversions, and reappropriations in various items in the 2022 Budget Act;
- 2) Updates provisional language related to the public building construction in various budget items to reflect updated construction and rental costs;
- 3) Includes provisional language clarifying the use of funding provided in the 2022 Budget Act for legal services to homeless individuals;
- 4) Provides \$10 million for the Shasta County New Redding Courthouse;
- 5) Reduces court funding for CARE Court implementation activities by \$33.7 million in 2022-23 to reflect a phased implementation approach;
- 6) Specifies that \$75 million provided in the budget to the Office of Business and Economic Development is for Small Business Drought Relief Grants, with any unspent funds being allowed to be repurposed for semiconductor research, development or manufacturing;
- 7) Includes language to allow the reappropriation of \$35 million provided to the Office of Business and Economic Development in the 2021-22 budget;
- 8) Moves \$1.4 million from the State Board of Education to the Government Operations Agency to fund one-time workload related to the Holocaust Task Force;
- 9) Increases special funds appropriated for the California Traffic Safety Program at the Transportation Agency by \$678,000;
- 10) Provides \$5 million to the Health and Human Services Agency for the implementation of the CARES Act;
- 11) Makes technical changes and additions to budget provisions allowing for the reappropriation of various funds provided for in prior budget acts to the Natural Resources Agency;

- 12) Makes clarifying changes to budget bill language related to the Agricultural Land Equity Task Force at the Office of Planning and Research;
- 13) Extends the encumbrance period for certain Precision Medicine expenditures to 2029 to conform to the expected duration of the research projects adopted in the budget package;
- 14) Includes provisional language specifying \$25 million of the California Volunteers funding provided to Office of Planning and Research will be used for the Summer Youth Job Corp;
- 15) Provides \$6.4 million to the Office of Emergency Services to extend an existing contract for an operational observer, related to public safety power shutoffs, and includes provisional language requiring reporting on various data points;
- 16) Eliminates \$150,000 from the Mental Health Services Fund for the Department of Human Resources;
- 17) Includes provisional language authorizing the Department of Finance to augment the Secretary of State's budget to cover legal costs from the Department of Justice;
- 18) Includes provisional language outlining the expenditure of outreach funding for the California Kids Investment and Development Savings Program (CalKIDS) in the Scholarshare Investment Board budget item;
- 19) Extends the deadline for a report from the California School Finance Authority on the use of funds in the Charter School Facilities Grant Program to December 1, 2024;
- 20) Includes provisional language regarding funding in the Department of Housing and Community Development on various budget items;
- 21) Provides \$1 million in funding for the California High Speed Rail Inspector General;
- 22) Includes \$27.3 million special fund for the California Highway Patrol San Bernardino Area office replacement project;
- 23) Includes \$847,000 federal funds for the Energy Commission for the power plant site certification and corridor designation program;
- 24) Amends the Beverage Contain Recycling program item for the CalRecycle to appropriate \$233.3 million with new provisional language specifying use of the funds;
- 25) Provides \$75 million for the Statewide Parks Program at the Department of Parks and Recreation;
- 26) Funds \$25 million for Outdoor Equity Grants at the Department of Parks and Recreation;
- 27) Appropriates \$5 million for water bottle refilling stations and other efficient water infrastructure at schools at the State Water Resources Control Board;

- 28) Allocates \$10 million for wetlands restoration in the City of Redondo Beach through the California Natural Resources Agency;
- 29) Adopts \$5 million to expand the La Brea Tar Pits Museum through the California Natural Resources Agency;
- 30) Awards \$40 million for San Joaquin Valley Floodplain Restoration through the Wildlife Conservation Board;
- 31) Provides \$500,000 for the Water Energy Nexus Registry at the Environmental Protection Agency;
- 32) Appropriates \$859 million from the Energy Package, including:
 - a. \$100 million to support the Hydrogen Program at the California Energy Commission (CEC), and \$5 million to Governor's Office of Business and Economic Development to support hydrogen hubs;
 - b. \$100 million to support the Industrial Grid Support and Decarbonization Program at the CEC;
 - c. \$25 million to support the Food Production Investment Program at the CEC;
 - d. \$162 million to support the Equitable Building Decarbonization program, of which \$50 million is to support the TECH initiative;
 - e. \$20 million to support the adoption of ultra-low-global-warming potential refrigerants;
 - f. \$45 million to support Offshore Wind Infrastructure;
 - g. \$100 million to support Oroville Pump Storage;
 - h. \$200 million for energy transmission projects, with the first round supporting the Salton Sea region;
 - i. \$50 million to support carbon removal projects;
 - j. \$235 million to support zero emission vehicles and infrastructure, as specified;
- 33) Appropriates an additional \$280 million of Greenhouse Gas Emission Reduction Fund expenditures including:
 - a. \$15 million Greenhouse Gas Reduction Fund for the Farmworker Low Income Weatherization Program at the Department of Community Services & Development;
 - b. \$10 million for AB 617 Incentives, including the development of new Community Emission Reduction Programs at the Air Resources Board;
- 34) Appropriates \$150 million for the Extreme Heat Package including:
 - a. \$25 million for the Community Resilience and Heat Program at the Office of Planning and Research;
 - b. \$85 million for Community Resilience Centers at the Strategic Growth Council;
 - c. \$17 million for Green Schoolyards at CalFIRE as part of Urban Forestry;
- 35) Provides \$100 million for Climate Innovation Grants at the Energy Commission;

- 36) Provides \$6.2 million to the Coastal Commission for records digitization and the Long Beach office;
- 37) Adopts an additional \$788 million for drought and water resilience, including:
- a. \$190 million for water recycling with \$80 million for the Metropolitan Water District and \$10 million for the City of Ontario at the State Water Resources Control Board.
 - b. \$50 million for Metropolitan Water District resilience projects.
 - c. \$56 million for the Sustainable Groundwater Management Act, including technical assistance for small farmers.
 - d. \$16.75 million ongoing for Forecast Informed Reservoir Operations.
- 38) Provides an additional \$100 million for wildfire prevention.
- 39) Adopts \$594 million for Nature Based Solutions to Climate Change including:
- a. \$11 million for wetlands restoration in the San Francisco Bay.
 - b. \$70 million for tribal nature based solutions.
 - c. \$52 million for wildlife crossings.
 - d. \$200 million for the Wildlife Conservation Board.
 - e. \$70 million for various conservancies.
- 40) Adopts an additional \$185 million of the Zero Emission Vehicle Package, including:
- a. \$40 million to reduce emissions in boats (plus \$20 million in Greenhouse Gas Emission Reduction Funds);
 - b. \$130 million for Clean Cars for All;
- 41) Provides \$75 million more for Sea Level Rise;
- 42) Provides \$224.5 million for watershed restoration;
- 43) Implements a clinic workforce stabilization and retention payment program by providing \$70 million at the Department of Health Care Services, including moving funding that had been budgeted in the Department of Health Care Access and Information for that purpose;
- 44) Makes technical changes to budget provisional language for the Golden State Social Opportunity Program at the Department of Health Care Access and Information;
- 45) Removes \$10 million of CARE Court implementation funding from the Department of Aging's budget and shifts it to the Health and Human Services Agency and Department of Health Care Services, for training of volunteers, in order to be consistent with the CARE Court policy bill;
- 46) Provides the Department of Health Care Services \$57 million for counties' CARE Court implementation costs, contingent on statutory approval of the initiative; funding, contingent on statutory approval of the initiative;

- 47) Specifies \$20 million of funding at the Department of Health Care Services are allocated to support an electronic medical record system and data costs;
- 48) Provides \$2 million of additional General Fund for community-based wrap-around services for individuals with ALS;
- 49) Establishes the Hearing Aids for California Children Program within the Department of Health Care Services and clarifies that children with either inadequate or no health care coverage for hearing aids qualify for the program;
- 50) Provides \$41.5 million of additional General Fund to the Department of Public Health for purposes related to the monkeypox state of emergency and includes provisional language authorizing the Department of Finance to request additional funding necessary for the State's response. Of this amount, \$15.75 million supports community response to monkeypox including \$1.5 million that shall be used for grants to community-based organizations to support the administration of monkeypox vaccinations;
- 51) Reflects additional \$3 million federal funds for Early Start at the Department of Developmental Services;
- 52) Includes \$354 million at the Department of Social Services to implement child care stipends;
- 53) Makes technical and conforming changes to Department of Education state and federal funds and provisional language;
- 54) Adjusts the expenditure authority for the State Special Schools to reflect additional funding appropriated in the 2022 Budget Act;
- 55) Removes the cap for reimbursable school meals, and clarifies that any remaining funds for school meals are directed to disaster relief payments first;
- 56) Authorizes expenditure authority of \$1.86 million from the Test Development and Administration Account, Teacher Credentials Fund for the Commission on Teacher Credentialing;
- 57) Provides \$2.19 million to the California Community Colleges for the Tauzer Gym Renovation project at Santa Rosa Junior College;
- 58) Includes provisional language specifying \$55 million included in the budget act in the Department of Industrial Relations is for the Apprenticeship Innovation Funding program;
- 59) Specifies that \$4 million provided to the Department of Technology will be allocated for a State Digital Equity Plan;
- 60) Provides the Lithium Extraction Excise Tax Fund a \$1.4 million loan from the General Fund;

- 61) Adds \$14 million for medical surge staffing at the Veterans Homes of California with provisional language allowing the Department of Finance to augment this authority subject to Joint Legislative Budget Committee notification;
- 62) Reflects an additional \$2.2 million federal funds to the Public Utilities Commission Rail Transit Safety Program;
- 63) Includes \$1 million for a Kern County redistricting commission;
- 64) Updates control section language related to the claiming of federal funds to reflect recent passage of the Inflation Reduction Act and the CHIPS Act of 2022; and
- 65) Amends district priorities provided for in the 2022 budget to allow funding to be allocated. This includes programming of all available funding, designation of state and local fiscal agents, and including state administrative costs in various department responsible for allocating the funding.

COMMENTS

This bill amends SB 154, Chapter 43, Statutes of 2022 (Skinner), the 2022 Budget Act, as amended by AB 178, Chapter 45, Statutes of 2022 (Ting), to reflect adjustments made to the Budget Act in August of 2022. These changes include appropriating funding set aside in the Budget Act in June of 2022 to allow for further discussions and negotiations, with a majority of the changes reflecting the current year investments associated with the 2022 Climate investment package. In addition, this bill contains technical changes, corrections and updates identified after the budget was adopted.

According to the Author

The bill makes necessary changes to the 2022 Budget Act to reflect August budget adjustments.

Arguments in Support / Opposition

None on file.

FISCAL COMMENTS

This bill provides an additional \$41.5 million in new funding for the monkeypox public health emergency that was not projected in the 2022 Budget Act in June. The other provisions of this bill allocate expenditures that were assumed within that budget framework for General Fund purposes.

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

VERSION: August 28, 2022

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

SUMMARY

This bill is a public education and early education omnibus trailer bill for furthering the intent of the 2022-23 Budget Act.

Major Provisions

- 1) Increases the base increase for the Local Control Funding Formula above COLA from 6.2 percent to 6.7 percent.
- 2) Clarifies that new cost of living (COLA) add-ons to the county Local Control Funding Formula (LCFF) Floor and Minimum State Aid Guarantee are cumulative from one fiscal year to the next.
- 3) Requires the Department of Education (CDE) to convene and provide recommendations from a statewide workgroup of preschool stakeholders, as specified, regarding preschool quality standards across the mixed child care delivery system, aligned to the State Master Plan for Early Childhood Education.
- 4) Clarifies intent on special education set-aside, dual-language learner identification, and 3 year old child eligibility in the part-day and full-day California State Preschool Program.
- 5) Conforms adult/child ratios for child care programs to the child care facility licensing regulations.
- 6) Clarifies language for how to distribute COLA for the California State Preschool Program.
- 7) Clarifies that California Transitional Kindergarten (TK) Planning Grant Program funds must be expended by June 30, 2026, specifies how funds should be awarded and spent, and requires local educational agencies (LEAs) to provide program data to the CDE.
- 8) Clarifies California Universal Preschool Planning Grant funding and application process.
- 9) Clarifies individuals subject to background checks under the Cradle-to-Career project, to conform to Federal Bureau of Investigation guidance.
- 10) Establishes an alternative design-build process for school district facilities.
- 11) Clarifies reporting requirements for the Learning Recovery Emergency Block Grant.

- 12) Specifies Pupil Transportation Services funding calculations for common administration districts, district reorganizations, and allows for transportation to be provided by joint powers agreements; clarifies that prior year Local Control Funding Formula transportation costs to calculate funding.
- 13) Repeals requirement to adopt regulations for Pupil Transportation Services funding.
- 14) Clarifies that TK class size requirements are not subject to collectively bargained kindergarten class size alternative for purposes of TK average class size requirements.
- 15) Clarifies requirements for local educational agencies to be eligible for the 2021-22 average daily attendance boost based on following independent study requirements in the 2021-22 school year.
- 16) Updates language for school district reorganizations or territory transfers to specify that adjustments will be made to any applicable prior fiscal year, as a result of the new three prior year average calculation.
- 17) Increases the necessary small school funding bands to correspond to the increases for school districts.
- 18) Clarifies the recoupment of employee payment procedures in the event of LEA wage overpayment.
- 19) Adds transitional kindergarten as an eligible requirement for the mentor teacher experience as part of the Teacher Residency Grant Program.
- 20) Specifies that \$10 million be set-aside for capacity grants to create school counselor residency programs.
- 21) Corrects the year of appropriation for the Teacher Residency Grant program funding in the 2022-23 Budget Act.
- 22) Allows a classified employee to be represented by an attorney or labor representative during layoff proceedings.
- 23) Defines "month" for purposes of the Classified Employees Summer Assistance program.
- 24) Makes technical changes to the Expanded Learning Opportunities Program, including defines "non-school day" and restores the three-year funding guarantee language.
- 25) Clarifies how class size and adult-to-pupil ratio should be defined for purposes of calculating the Local Control Funding Formula for Transitional Kindergarten, and clarifies CDE authority on expanded learning wrap for TK, using State Preschool contracts.

- 26) Clarifies how fiscal penalties for failing to meet Transitional Kindergarten requirements should be calculated.
- 27) Extends the sunset for the district of choice program through July 1, 2028.
- 28) Extends the sunset for graduation requirements related to career technical education through July 1, 2027.
- 29) Adds exceptions for students participating for fewer than 15 schooldays and make conforming changes to Course-based Independent Study statute.
- 30) Restores provision that allowed LEAs to obtain a signed master agreement within 30 days of the first day of independent study instruction.
- 31) Clarifies that the cost-of-living-adjustment should not be counted twice in the base rate for special education.
- 32) Clarifies the State Allocation Board process for LEA authorization to assess Level III developer fees when the School Facility Program is funded with non-bond funds.
- 33) Clarifies that a provision of current law allowing local governments to condition the approval of new residential development on the basis of the adequacy of school facilities in the event that a future statewide school facilities bond fails passage does not apply if non-bond state resources are provided for the school facilities program.
- 34) Redefines TK children as school-age for purposes of school age community care licensing, and provides Department of Social Services (DSS) authority for rule-making.
- 35) Provides parity for DSS direct-contract child care programs to the State Preschool mental health adjustment factor of 1.1.
- 36) Shifts the LEA reporting deadline from June 30, 2023 to June 30, 2024 for the 2021 Kitchen Infrastructure and Training Funds.
- 37) Changes appropriations to ensure direct contractors receive a rate supplement in 2021-22 and 2022-23 equivalent to the difference between their current contract rate and the 85th percentile of the 2018 RMR.

COMMENTS

This bill is necessary to implement Legislative intent for various education provisions of the 2022-23 Budget Act, and extend imminent sunset dates for the Districts of Choice program and Career Technical Education high school graduation requirements.

Arguments in Support

None file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill appropriates \$4 million for the Department of Education to administer preschool grant and workgroup activities, and adjusts appropriations for child care, preschool, and the Teacher Residency Program in conformity with legislative intent from the Budget Acts of 2021-22 and 2022-23. This bill also makes major changes to the Local Control Funding formula's allocation, increasing the base rate from 6.2 percent above COLA to 6.7 percent.

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: August 26, 2022

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

FN:

SUMMARY

This is the postsecondary education clean-up trailer bill, which further enacts provisions of the 2022 Budget Act.

Major Provisions

This bill includes the following:

- 1) *California Student Housing Revolving Loan Fund*. Per agreement in the Budget Act of 2022, establishes the California Student Housing Revolving Loan Fund to provide zero-interest loans to qualifying campuses of the University of California (UC), the California State University (CSU), and the California Community Colleges (CCC) for the purpose of constructing affordable student, faculty, and staff housing. States that the fund will receive \$1.8 billion in 2023-24 and 2024-25 and creates a process for the California School Finance Authority and the California Educational Facilities Authority to create and receive applications from campuses, and distribute funds.
- 2) *Part-Time Faculty Health Insurance*. Includes programmatic changes to ensure districts are providing quality, affordable and accessible coverage to all eligible part-time faculty. The Budget Act of 2022 includes \$200 million ongoing Proposition 98 General Fund to augment the Part-Time Faculty Health Insurance Program to expand healthcare coverage provided to part-time faculty by community college districts.
- 3) *Classified School Employee Summer Assistance Program*. Adds a clarifying definition to existing statute.
- 4) *Asian American, Native Hawaiian, and Pacific Islander Student Achievement Program*. Clarifies information and timeline for reports submitted to the Legislature, staffing of statewide office that will implement the programs at CSU and CCC, and process for allocations to participant campuses.
- 5) *California Student Aid Commission Cohort Default Rate Appeal Authority*. Gives the California Student Aid Commission the temporary authority to grant an appeal for Cal Grant participation for academic year 2023-24 if an institution failed to meet the cohort default rate solely due to acquisition of an out-of-state institution that impacted its cohort default rate, and the acquired institution has since closed.
- 6) *Middle Class Scholarship 2.0 minimum award amount*. Includes a “minimum award” provision that ensured that any recipient was awarded at least \$90.
- 7) *Higher Education Student Housing Grant Program*. Clarifies application deadlines, information submitted to the Legislature, Joint Legislative Budget Committee, Department of Finance, and makes a technical correction related to appropriations for budget years 2022-23 and 2023-24.
- 8) *NextUp*. Makes clarifying changes to eligibility so that current or former foster youth are eligible for NextUp regardless of whether they meet eligibility criteria for additional programs or services.

COMMENTS

This bill is a budget trailer bill within the overall 2022-23 budget package to implement actions related to higher education.

FISCAL COMMENTS

This bill contains a new appropriation for the Student Housing Grant program and includes other changes relating to higher education necessary to implement the 2022 budget package.

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: August 26, 2022

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

FN:

SUMMARY

This is a health trailer bill which is necessary to implement various provisions of the Budget Act of 2022.

Major Provisions

This bill makes changes necessary to implement the Budget Act of 2022, affecting the budgets of the Health Benefits Exchange, and the following state departments: Health Care Access and Information, Health Care Services, and State Hospitals. Specifically, this bill:

- 1) Authorizes the transfer of funds from the Federal Trust Fund to the California Health Trust Fund, if federal grant funds are made available for Covered California (California's Health Benefits Exchange), thereby authorizing Covered California to expend federal grant funds.
- 2) Specifies that grants from the Abortion Practical Support Fund are required to be used to support a new or existing program that increases patient access to abortion, further clarifies allowable uses of grant funds, and expands the definition of "practical support."
- 3) Establishes legislative intent that the purpose of the Abortion Practical Support Fund is to ensure that people seeking abortion care have access to the logistical and practical support resources needed to diminish barriers to care.
- 4) Requires the Health Care Affordability Board to adjust health care cost targets to reflect changes in projected labor costs.
- 5) Revises the requirement on the Office of Health Care Affordability to update standard measures of health care quality and equity from annually to periodically.
- 6) Expands the Song-Brown Health Care Workforce Training Act to include programs that train postgraduate primary care physician's assistants and postgraduate primary care nurse practitioners.
- 7) Stipulates that the contents of reports that the Department of State Hospitals is required to provide to courts and community programs, regarding a defendant's progress towards recovery of mental competence and the need for the administration of antipsychotic medication, are permissive rather than required.
- 8) Requires that a court order for the involuntary administration of antipsychotic medication be deemed "appropriate in light of their medical condition," and be based on the recommendation made by a Department of State Hospitals clinician.

- 9) Authorizes the Department of State Hospitals to contract for new construction, rather than only for the modification, expansion or retrofitting of existing facilities, to house and treat individuals committed to the Department of State Hospitals.
- 10) Requires the Department of State Hospitals to provide patient information and records to district attorneys, under certain circumstances and for specified purposes, unless otherwise prohibited by law.
- 11) Makes technical corrections to statute adopted as part of the June 2022 budget package relating to increasing Medi-Cal eligibility for individuals over 65 years of age, or with disabilities, without a share of cost.
- 12) Eliminates copayments from the Medi-Cal program.
- 13) Establishes a new revenue source for the Medi-Cal Physician and Dentist Loan Repayment program, a provision already approved as part of the June 2022 budget package but inadvertently chaptered out by conflicting budget trailer bills.
- 14) Establishes the Clinic Workforce Stabilization Retention Payment Program to provide funds to eligible qualified clinics, including:
 - a. Makes findings and declarations related to the value of a stable health care clinic workforce;
 - b. Defines “qualified clinic” to include FQHCs, FQHC look-alikes, free clinics, Indian health clinics, intermittent clinics, and rural health clinics in California;
 - c. Defines “eligible employee” to mean a person who is employed by an eligible qualified clinic and who is not a manager or supervisor;
 - d. Requires funds to be used to make retention payments of up to \$1,000 to eligible employees;
 - e. Requires payments to be made within 60 days of receipt of this funding;
 - f. Requires participating clinics to provide specified information to the Department of Health Care Services, and requires that this information be attested to under penalty of perjury;
 - g. Requires the Department of Health Care Services to post on its internet website the amount each clinic site receives, and the total number of eligible employees reported by each clinic;
 - h. Establishes resolution procedures in the event of a dispute as to the status of an employee as an eligible employee, the retention payment amount, or a qualified clinic’s failure to make a retention payment as prescribed;
 - i. Requires that any unexpended funds from this program be transferred to the Department of Health Care Access and Information to support workforce development programs that support primary care in clinics; and

- j. Does not create a private right of action in any civil litigation against a qualified clinic regarding the administration of the retention payment program and in the receipt and transmittal of retention payment program funds, or in any civil litigation or administrative proceeding against the state or department.

15) Makes technical corrections to provisions adopted as part of the June 2022 budget package that require, no sooner than January 1, 2025, that any child eligible for Medi-Cal remain continuously eligible until they are 5 years of age and prohibit a redetermination of eligibility prior to age 5. Makes implementation of these provisions contingent on receipt of necessary federal approvals and financial participation, upon an appropriation, and upon a determination that systems have been programmed to implement these changes.

16) Declares that this bill will take effect immediately as a bill providing for appropriations related to the Budget Bill.

COMMENTS

This bill is a budget trailer bill within the overall 2022-23 budget package to implement actions taken affecting health-related departments and other state entities. This bill establishes the Clinic Workforce Stabilization Retention Payment Program, eliminates copayments for Medi-Cal enrollees, and makes technical and clarifying amendments to various provisions adopted through AB 184, the omnibus health trailer bill (Committee on Budget and Fiscal Review, Chapter 47, Statutes of 2022).

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill implements health programs and policies that are tied to appropriations included in SB 178, the 2022 Budget Act (Ting, Chapter 45, Statutes of 2022), including \$70 million General Fund which is being transferred from the Department of Health Care Access and Information to the Department of Health Care Service for the Clinic Workforce Stabilization Retention Payment Program. This bill makes appropriations by:

- 1) Authorizing the transfer of funds from the Federal Trust Fund to the California Health Trust Fund, a continuously appropriated fund;
- 2) Expanding the use of moneys in the Abortion Practical Support Fund, a continuously appropriated fund; and
- 3) Establishing a new revenue source for the Health Professions Education Fund, a continuously appropriated 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: August 26, 2022

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

FN:

SUMMARY

This is the Human Services August Omnibus Trailer Bill, with statutory changes required to implement appropriations made in the 2022 Budget Act.

Major Provisions

This bill does the following:

- 1) Requires the State Department of Social Services (DSS) to consult with the California Work Opportunity and Responsibility to Kids (CalWORKs) CalWORKs Outcomes and Accountability Review (Cal-OAR) workgroup in the fall of 2022 to develop recommendations to address the existing emphasis on the federal work participation rate and penalty pass-on structure in current law while optimizing the implementation of the first cycle of the Cal-OAR process. Requires the department to submit recommendations to the Legislature on or before April 15, 2023.
- 2) Requires the DSS to reconsider the costs of county operations for county administrative costs in the CalWORKs single allocation for the 2024-25 fiscal year, and for every third fiscal year thereafter. Requires the DSS to provide information to the legislative budget committees regarding this reconsideration.
- 3) Requires the DSS to review CalFresh costs of county operations for the 2027-28 fiscal year and every third fiscal year thereafter. Requires consultation with legislative staff, advocates, organizations that represent county workers, and representatives of county human services agencies and the County Welfare Directors Association of California to be consulted in this process and requires the DSS to provide information to the legislative budget committees regarding this review.
- 4) Authorizes the DSS to implement and administer provisions relating to the Child Welfare Services/Case Management System (CWS/CMS) and the replacement system, the Child Welfare Services-New System (CWS-NS), through all-county letters or similar instructions, until final regulations are adopted. Requires the DSS to include an update on the development of regulations as part of legislative updates that occur pursuant to current law, and, by October 1, 2024, to provide a formal update on the status of the development of regulations to the Legislature. Requires the DSS to adopt regulations no later than 24 months after the complete replacement system is implemented statewide.
- 5) Establishes, subject to an appropriation, the Excellence in Family Finding, Engagement, and Support Program, to be administered by the DSS. Features of this program include:
 - a) Requires the DSS to develop an allocation methodology for counties that elect to receive funds under the program and requires the DSS to make funds available to participating counties according to the allocation methodology on or before March 1, 2023.
 - b) Requires a county that elects to participate in the program to provide a match of local funds, which may include specified in-kind contributions, equal to one half of all state funds provided to the county under the program.

- c) Requires the DSS to consult with Indian tribes to develop an allocation methodology and procedures for program participation for Indian tribes, consortia of tribes, or tribal organizations.
 - d) Requires allocated funds and the local match provided by counties to be used for specialized permanency work, with a focus on establishing and maintaining permanent connections for foster children, including specified activities.
 - e) Requires a county to provide information to the department on which of the activities the participating county has performed.
 - f) Authorizes a participating county to elect to contract with a nonprofit community-based organization to provide services pursuant to the program.
 - g) Requires funds allocated under the program to be used to supplement, but not supplant, funds for existing family finding and engagement programs, and requires counties to maintain records demonstrating that program funds have not supplanted funding for existing programs.
 - h) Requires the DSS to establish procedures for program data collection and reporting by counties and participating tribal entities, and would require the DSS to establish procedures for tracking and reporting program outcomes measures.
 - i) Additionally, requires the department, subject to an appropriation, to establish, or contract for the establishment of, the Center for Excellence in Family Finding, Engagement, and Support. Requires the Center to provide, or contract for the provision of, multitiered, culturally appropriate training and technical assistance to county child welfare and probation departments, participating tribes, and foster care providers. Requires the Center to train family finding and engagement program staff to ensure model fidelity and best practices.
 - j) Exempt contracts entered into or amended for purposes of the program from specified public contracting requirements and authorizes the department to implement the program through all-county letters or similar written instructions, without taking any further regulatory action.
- 6) Establishes the Tribally Approved Homes Compensation Program to provide funding to any federally recognized Indian tribe located in California, or with lands that extend into California, for the costs associated with recruiting and approving homes for the purpose of foster or adoptive placement of an Indian child pursuant to Indian Child Welfare Act of 1978 (ICWA). Subject to an appropriation for this purpose in the annual Budget Act, requires the DSS to provide an annual allocation of \$75,000 to those eligible tribes, except that if the annual Budget Act provides for an allocation of more than \$75,000 per eligible tribe, then each eligible tribe would receive an adjusted allocation. Requires an Indian tribe, in order to be eligible for the funding allocation, to enter into an agreement with the department on or before May 1 prior to the fiscal year for which funding is requested, and would require an Indian tribe that receives funding to submit a progress report describing how the tribe administered the funds to the department on or before September 1 following the close of the fiscal year in which the tribe received a funding allocation. Requires the department to annually provide to the budget committees of the Legislature a report summarizing the information and data provided by the Indian tribes in their progress reports. Authorizes the DSS to issue written guidance to implement, interpret, or make specific these provisions without taking any regulatory action.
- 7) Establishes the Tribal Dependency Representation Program to provide funding to assist any federally recognized Indian tribe located in California, or with lands that extend into California, in funding legal counsel to represent the Indian tribe in a California Indian child custody proceeding that is initiated or ongoing in the juvenile court. Requires an Indian tribe that seeks

funding for this purpose to submit an annual letter of interest to the department. Requires the department, subject to an appropriation in the annual Budget Act for this purpose, to provide each Indian tribe that enters into a specified agreement and submits a letter of interest an annual base allocation of \$15,000 for legal counsel, except that if the annual Budget Act provides for an allocation of funds of more than \$15,000 per eligible tribe, then each eligible tribe would receive an adjusted allocation. Requires an Indian tribe that receives funds to submit a progress report regarding the number of Indian child custody proceeding hearings to the department on or before September 30 following the close of the fiscal year in which funding was received. Authorizes the DSS to issue written guidance to implement, interpret, or make specific these provisions without taking any regulatory action.

- 8) Requires, in compliance with the federal Flexibility, Efficiency, and Modernization in Child Support Final Rule of 2016 (FEM Final Rule), the of suspension of a money judgment or order for support of a child for the person ordered to pay support who is incarcerated or involuntarily institutionalized effective on the first day of the first full month of incarceration or involuntary institutionalization. Includes involuntary confinement in a federal prison in the definition of “incarceration or involuntarily institutionalized” for this purpose. Eliminates the exemption from suspension for a person owing support who was incarcerated or involuntarily institutionalized for domestic violence, thereby allowing the suspension of a money judgment or order against that person. Makes these provisions applicable to any child support obligation that accrues regardless of when the child support order was established.
- 9) Requires the Judicial Council of California to include other data in its periodic review of the statewide uniform guideline for child support, including, among other things, labor market data, such as employment and unemployment rates. Implements this change to comply with the FEM Final Rule.
- 10) Requires the court, when determining earning capacity of a parent in lieu of the parent’s income, to consider the specific circumstances of the parent, including the parent’s assets, educational attainment, health, and other factors. Also prohibits the court from considering incarceration or involuntary institutionalization as voluntary unemployment in establishing and modifying support orders. Implements this change to comply with the FEM Final Rule.
- 11) Implements statutory changes for a full pass through of child support for formerly assisted families in the CalWORKs program. Requires any amount of child support collected in a month in payment of an assigned support obligation to be passed through to a former recipient of CalWORKs aid, except recipients of specified foster care payments. Requires the local child support agency in each county to ensure that payments are made to former recipients. Requires aid that cannot be delivered to a former recipient of aid for a period of six months to instead be sent to recoup aid paid on behalf of the recipient. Makes those provisions operative on July 1, 2023, or when the Department of Child Support Services provides the Legislature with a specified notification and another condition is met, whichever date is later.
- 12) Requires the Department of Child Support Services (DCSS) to monitor the number of claims made after payments are sent for recoupment and to provide this information to specified committees of the Legislature no later than April 1, 2025, or two years and three months after the operative date of the statute, whichever date is later.
- 13) Requires, no later than May 1, 2023, the DSS, in collaboration with the DCSS, to submit a report to specified committees of each house of the Legislature providing an evaluation of the

pass through for formerly assisted families, including a review of any potential unintended impacts, both positive and negative, and potential solutions to address any identified unintended impacts.

- 14) Provides that on January 1, 2024, or the date when the DSS has made a specified determination, whichever is later, reasonably anticipated income is defined as support and includes an amount passed through of any amount of support received from being deducted from the amount of aid to which an assistance unit would be eligible. Also exempts any support payments that does not require assignment or cooperation with a local child support agency from consideration as income and resources for purposes of determining initial and continued eligibility and grant amount for the CalWORKs program.
- 15) States legislative intent for the provision of a General Fund augmentation for the DCSS to implement a full pass through of child support payments collected to families currently receiving CalWORKs benefits.
- 16) Requires the DSS, in conjunction with the DCSS, to convene a workgroup that consists of representatives from the Legislature, the DCSS, the County Welfare Directors Association of California, and advocates for low-income families with children and noncustodial parents to meet at least twice to discuss unintended consequences of enacting a full pass through of child support payments to custodial families currently receiving CalWORKs benefits. Requires the DSS to submit a report, on or before April 1, 2024, to specified committees of the Legislature that summarizes the conversations with workgroup participants and includes proposed mitigation strategies for preventing unintended consequences of a full pass through of child support payments to families currently receiving CalWORKs benefits.
- 17) Authorizes, until January 1, 2028, the Office of Youth and Community Restoration within the California Health and Human Services Agency to establish grant making programs with the funding designated in the Budget Act of 2021 and with other funding available for that purpose by means of information notices without taking further regulatory action. Additionally authorizes, until January 1, 2028, the Office to enter into exclusive or nonexclusive contracts, or amend existing contracts, on a bid or negotiated basis for purposes of implementing activities funded by the Budget Act of 2021 and other funding available for these purposes and would exempt those contracts from compliance with specified laws.
- 18) Extends the sunset for the Limited Examination and Appointment Program (LEAP) and, correspondingly, the date for the Department of Human Resources to provide an alternative to the traditional civil service examination and appointment process to facilitate the hiring of persons with disabilities from January 1, 2023 to January 1, 2024.
- 19) Incorporates double jointing provisions to avoid a chaptering out potential for Section 2200 of the Welfare and Institutions Code if both this bill and Assembly Bill 2417 are enacted and this bill is enacted last.
- 20) Includes provisions to recognize that the California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Provides that no reimbursement is required by this act for a specified reason.
- 21) Appropriates \$3,000,000 in federal funds to the DSS for the Tribally Approved Homes Compensation Program.

22) Declares that that this bill is to take effect immediately as a bill providing for appropriations related to the Budget Act of 2022.

COMMENTS

These statutory changes are related to investments made in the 2022 Budget Act.

According to the Author

None.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

These provisions align to funding included in the 2022 Budget 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: August 26, 2022

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

FN:

SUMMARY

This bill is the omnibus Energy budget trailer bill. It contains provisions necessary to implement the 2022 Budget Act.

Major Provisions

1. *Lithium Subaccount (Clean up)*. Renames the Salton Sea Lithium Fund.
2. *CAISO Data Sharing*. Allows data sharing between the California Independent System Operator (CAISO) and a state agency to not be subject to the Public Records Act.
3. *Climate Catalyst Fund Expansion*. Expands the Climate Catalyst Fund at the Ibank to include financing for transmission and renewable energy projects *and* carbon capture pilots eligible for federal match funding.
4. *California Energy Commission Demand Side Grid Support Program (Clean up)*. Expands the program beyond just publicly owned utility customers. This is clean up to AB 205, the June energy trailer bill.
5. *Climate Innovation Program*. Provides statutory guidance for the Climate Innovation Grants Program at the Energy Commission.
6. *CAISO Participation*. Expressly requires specified electrical corporations to participate in the Independent System Operator and prohibits all electrical corporations from withdrawing their facilities from the operational control of the Independent System Operator without Public Utilities Commission approval.
7. *California Energy Commission Clean Energy Investment Programs*. Provides statutory guidance and authority for the following new programs at the Energy Commission: Industrial Grid Support and Decarbonization Program, Food Production Investment Program, Hydrogen Program, Equitable Building Decarbonization Program, Carbon Removal Innovation Program, and Offshore Wind grants.
8. *Energy Commission Offshore Wind Account*. Creates the Voluntary Offshore Wind and Coastal Resources Protection Fund and the Private Donations Account with a continuous appropriation.
9. *California Public Utilities Commission Self Generation Incentive Program*. Creates statutory guidance for the California Public Utilities Commission to implement the Self Generation Incentive Program via general fund dollars including funding energy storage and solar systems in publicly owned utilities.
10. *California Energy Commission Planning Reserve Margin*. Requires the Energy Commission, on or before December 31, 2023, to develop recommendations about approaches to determine an appropriate minimum planning reserve margin for local publicly owned electric utilities within the CAISO balancing authority.

11. *Department of Water Resources Strategic Reserve (Clean up)*. Prohibits operating fossil fuel resources in the Strategic Reserve except during extreme events and limits the list of eligible energy resources to those specified. This is clean up to AB 205, the June energy trailer bill.
12. *California Energy Commission Tribal Ecological Knowledge (Clean up)*. Strikes the definition of tribal ecological knowledge regarding the California Energy Commission's clean energy permitting authority, and recast the tribal consultation process into agreement with current statutes concerning mitigation and treatment of tribal cultural resources. Amendments also include alignment to current CEQA law concerning tribal expertise regarding their history and heritage. This is clean up to AB 205, the June energy trailer bill.
13. *Lithium Sales Tax Exclusion*. Increases the Sales Tax Exclusion authority at the California Alternative Energy and Advanced Transportation Financing Authority for the 2022, 2023, and 2024 calendar years, authorize the authority to provide an additional \$15,000,000 of sales and use tax exclusions for projects that manufacture, refine, extract, process, or recover lithium. In evaluating those project applications, the bill would authorize the authority to consider, in addition to the existing criteria described above, specific criteria relating to relocation of projects to California from states that have enacted certain legislation, as described.
14. *Refrigerant Building Code Standards*. Requires the Building Standards Commission, on or before July 1, 2023, to consider whether to adopt specified consensus safety standards. If the commission does not adopt the consensus safety standards, then the bill would prohibit a state or local building code from prohibiting the use of a refrigerant listed as acceptable under specified provisions of the federal Clean Air Act if the use is installed in accordance with specified standards, effective July 1, 2024.
15. *California Public Utilities Commission Audits*. Authorizes the California Public Utilities Commission to utilize risk based audits, as specified.
16. *Department of Housing and Community Development Indoor Air Temperatures*. Requires the Department of Housing and Community Development to submit policy recommendations to the Legislature that are designed to ensure that residential dwelling units can maintain the recommended maximum safe indoor air temperature.

COMMENTS

According to the Author

This bill is the omnibus Energy budget trailer bill. It contains provisions necessary to implement the 2022 Budget Act.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill continuously appropriates funds from the Voluntary Offshore Wind and Coastal Resources Protection 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: August 28, 2022

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

FN:

SUMMARY

This bill is the omnibus Resources budget trailer bill. It contains provisions necessary to implement the 2022 Budget Act.

Major Provisions

- 1) *Department of Pesticide Regulation (DPR): Pesticide Penalties.* Increases the criminal, civil, and administrative penalty levels for specified violations of pesticide law and regulations; authorizes DPR to adjust the level of civil monetary penalties to account for inflation; provides DPR with additional enforcement authority to levy civil penalties in lieu of penalties levied by the County Agricultural Commissioner; authorizes DPR to request information on pesticide residue samples; and, requires submission of the pesticide residue sample information requested by DPR.
- 2) *Department of Conservation: Geologic Energy Management Division (CalGEM): Oil and Gas: Shall-Witness and May-Witness Operations: Witnessing In Person or Remotely.* Until January 1, 2028, explicitly authorizes CalGEM to witness may-witness operations remotely, and requires CalGEM to prioritize witnessing of may-witness operations in person to the maximum extent feasible. Requires CalGEM to include in an annual report to the Legislature specified information regarding shall-witness and may-witness operations.
- 3) *Department of Toxic Substances Control (DTSC): Hazardous Materials Fees (cleanup).* Includes cleanup language related to fees and charges.
- 4) *Forest Health: California Environmental Quality Act (CEQA): Exemption: Prescribed Fire, Reforestation, Habitat Restoration, Thinning, and Fuel Reduction Projects.* Extends the sunset from January 1, 2023 to January 1, 2028 for the CEQA exemption related to prescribed fire, thinning, and fuel reduction projects undertaken on federal lands to reduce the risk of high-severity wildfire that have been reviewed under the National Environmental Policy Act if certain conditions are met. This provision expands the exemption to include projects undertaken in whole or in part on federal lands as well as projects funded by tribal cultural burn and tribal wildfire funding authorized by the Budget Act of 2021. This provision includes specified notification requirements.
- 5) *Hexavalent Chromium.* States the intent of the Legislature, upon an appropriation in the Budget Act for the 2023-24 fiscal year, to make available \$10 million to the Air Resources Board (ARB) to assist with the necessary transition away from the use of hexavalent chromium.
- 6) *California Beverage Container Recycling and Litter Reduction Act (Bottle Bill).* Extends the sunset of the plastic market development payment authorization from July 1, 2022 to July 1, 2025. This bill requires CalRecycle to adopt emergency regulations to establish requirements for the operation of bag drop machines, such as maximum daily consumer redemption values, requirements for the bag drop machine to accept all types of beverage containers, and tracking and reporting requirements. This bill requires CalRecycle to provide on its website information that enables consumers to identify the geographic location of all points of redemption for beverage containers.

- 7) *Bottle Bill: Quality Incentive Payments: Thermoform Plastic Containers*. Authorizes the Department of Resources Recycling and Recovery (CalRecycle) to pay a quality incentive payment to a certified recycling center for thermoform plastic containers diverted from curbside recycling programs, as specified.
- 8) *Climate Change: Community Resilience Center Program: Grant Program*. Establishes the Community Resilience Center Program, which is to be administered by the Strategic Growth Council, in coordination with the Office of Planning and Research.
- 9) *Hollister Ranch*. Provides that the environmental review set forth in the Final Programmatic Environmental Impact Report for the Hollister Ranch Coastal Access Program (in the County of Santa Barbara), in combination with other environmental review documents, is conclusively presumed to satisfy CEQA for a project to effectuate public access and associated facilities undertaken or approved by a public agency.
- 10) *Water: Drought Response: Interim or Immediate Relief (cleanup)*. Adds to the definition of “interim or immediate relief” certain activities to increase water conservation and drought resilience planning and includes post-performance monitoring as an eligible cost for interim or immediate relief.
- 11) *Fire Prevention: Moderate and High Fire Hazard Severity Zones (SB 63 (Stern) cleanup)*. Requires a local agency to designate moderate and high fire hazard severity zones within 120 days of receiving recommendations from the State Fire Marshal (SFM). This provision also authorizes a local agency, at its discretion, to include areas within its jurisdiction, not identified as moderate and high fire hazard severity zones by the SFM, as moderate and high fire hazard severity zones; and prohibits the local agency from decreasing the level of fire hazard severity zone as identified by the SFM.
- 12) *ARB: Medium- and Heavy-Duty Fleet Purchasing Assistance Program: Zero-Emission Vehicles (ZEVs) (SB 372 (Leyva) cleanup)*. Makes ARB solely responsible for the development and implementation of the Medium- and Heavy-Duty ZEV Fleet Purchasing Assistance Program and eliminates or transfers all of the California Pollution Control Financing Authority’s duties under the program.
- 13) *Zero-Emission Vehicle (ZEV) Investments*. Specifies the intent of the Legislature to allocate funding in the future for ZEV investments.
- 14) *Solid Waste: Plastic Pollution Prevention and Packaging. Producer Responsibility Act (SB 54 (Allen) cleanup)*. Deletes the requirement to consider organic waste in establishing a recycled content requirement and includes a technical change.
- 15) *Public Resources: 2021 Budget*. Allocates funding to various programs in the Budget Act of 2021 related to natural resources.
- 16) *Legislative Priorities*. Provides funding to various programs, upon appropriation by the Legislature, in fiscal years post-2022-23.

COMMENTS

According to the Author

This bill is the omnibus Resources budget trailer bill. It contains provisions necessary to implement the 2022 Budget Act.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill appropriates \$1,436,497,000 consistent with a control section of 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: August 28, 2022

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

FN:

SUMMARY

Makes necessary statutory changes to ratify and implement memoranda of understanding (MOU) between Bargaining Units 2, 8, 9 and 18 and the state, MOU side letter agreements between three bargaining units (BUs) and the state and appropriates funds for General Salary Increase (GSI) adjustments for BU 5 and Judges. The agreements cover state employees represented by seven exclusive employee representatives, as follows:

California Attorney, Administrative Law Judges, and Hearing Officers in State Employment (CASE)

- Bargaining Unit 2: Attorneys and Hearing Officers

California Association of Highway Patrolmen (CAHP)

- Bargaining Unit 5: Highway Patrol

California Department of Forestry and Fire Protection Firefighters, CAL FIRE Local 2881

- Bargaining Unit 8: Firefighters

Professional Engineers in California Government (PECG)

- Bargaining Unit 9: Professional Engineers

California Association of Professional Scientists (CAPS)

- Bargaining Unit 10: Professional Scientific

California Association of Psychiatric Technicians (CAPT)

- Bargaining Unit 18: Psychiatric Technicians

American Federation of State, County and Municipal Employees (AFSCME)

- Bargaining Unit 19: Health and Social Services/Professional

Major Provisions

Memorandum of Understanding with BU 2.

This bill ratifies an MOU entered into between the state and BU 2, represented by the California Attorney, Administrative Law Judges, and Hearing Officers in State Employment (CASE) on August 22, 2022 notwithstanding the requirement for the LAO to produce a fiscal analysis. The MOU agreement is, as follows:

General Salary Adjustment:

- 1) Effective July 1, 2022, all BU 2 classifications shall receive a general salary increase of 2.5 percent.
- 2) Effective July 1, 2023, all BU 2 classifications shall receive a general salary increase of 3 percent.

Special Salary Adjustments:

- 1) Effective July 1, 2023, the maximum salary range for the classification of Administrative Law Judge, Public Utilities Commission Administrative Law Judge and Senior Administrative Law Judge shall be increased by 4.5 percent.
- 2) Effective July 1, 2024, the maximum salary range for all classifications (except attorney level III classifications) shall be increased by 4.5 percent.
- 3) Effective July 1, 2024, the maximum salary range for the various attorney level III classifications shall be increased by 10 percent.

Administrator of the Day, On-Call Pay Differential:

- Effective the first day of the pay period following ratification by both parties, certain employees at the Department of Justice, and Health and Human Services Agency who are assigned to on-call status outside of normal business hours which require an immediate response will be eligible for one day's salary per on-call shift for seven consecutive days of on-call status.

Family Care Leave:

- Effective July 1, 2023, BU 2 employees who are enrolled in the annual leave program will be eligible for the non-industrial disability insurance Family Care Leave program. This program provides eligible employees up to six weeks of paid leave (50% of gross salary) within a 12-month period for the care of a seriously ill family member or to bond with a newborn child, adopted child or foster care placement. Employees have the option to use their own leave credits to supplement up to a 75 or 100 percent income benefit.

Health, Dental, Vision:

- The state's monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. The flat dollar amounts shall be increased or decreased as appropriate pursuant to the formula on January 1, 2023, January 1, 2024, and January 1, 2025.

Post-Employment Benefits: Prefunding of Other Post-Retirement Benefits (OPEB):

- Effective the pay period following ratification by both parties, the contribution percentages will be adjusted based on the actuarially determined total normal cost. If the total normal costs increase or decrease by more than half a percent from the total normal cost contribution, the employer and employee contribution percentages will be increased or decreased July 1 each fiscal year thereafter, to maintain a 50 percent cost sharing of actuarially determined total normal costs. The increase or decrease to the employer or employee contribution shall not exceed 0.5 percent per year.

Miscellaneous:

- 1) Increased union reimbursement rates payable to the state for authorized union leave. Increases are provided each year of the contract.

- 2) During the term of this agreement, the State agrees to apply any future changes to the business and travel expense reimbursement program for excluded employees to BU 2 employees.
- 3) Effective two pay periods following ratification by both parties, the State BAR specialty and local reimbursement annual amount will be increased from \$100 to \$200.
- 4) Effective the first day of the pay period following ratification by both parties, employees working in areas served by mass transit will be eligible for a 100 percent discount on public transit passes up to the exclusion amount provided by the Internal Revenue Service.
- 5) Effective the first day of the pay period following ratification by both parties, employees riding in vanpools or driving vanpools will be eligible for a 100 percent reimbursement of the monthly fee up to the exclusion amount provided by the Internal Revenue Service.

Duration:

- 1) July 1, 2022 through June 30, 2025.

Term:

- 1) Effective the first day of the pay period following ratification by both parties. The union ratification process will be completed no later than August 31, 2022.

Fiscal:

- 1) Fiscal Year 2022-23 cost: \$25.9 million (\$6.3 million General Fund)

Memorandum of Understanding with BU 8.

This bill ratifies an MOU entered into between the state and BU 8, represented by the California Department of Forestry and Fire Protection Firefighters, CAL FIRE Local 2881 on August 25, 2022, notwithstanding the requirement for the LAO to produce a fiscal analysis. The MOU agreement is, as follows:

General Salary Increases:

- 1) Effective July 1, 2022, all BU 8 employees shall receive a general salary increase of 2.5 percent.
- 2) Effective January 1, 2023, all BU 8 employees shall receive a general salary increase of 2 percent.
- 3) Effective July 1, 2023, all BU 8 employees shall receive a general salary increase of 2 percent.

Longevity Pay:

- Effective the first day of the pay period following ratification by both parties, the longevity monthly pay differential will be increased by 2% for each existing tier.

Educational Pay Incentive:

- Effective the first day of the pay period following ratification by both parties, the educational pay incentive shall be increased from \$75 per pay period to \$150 per pay period.

Transportation Incentives and Parking Rates:

- 1) Effective the first day of the pay period following ratification by both parties, employees working in areas served by mass transit will be eligible for a 100 percent discount on public transit passes up to the exclusion amount provided by the Internal Revenue Service.
- 2) Effective the first day of the pay period following ratification by both parties, employees riding in vanpools or driving vanpools will be eligible for a 100 percent reimbursement of the monthly fee up to the exclusion amount provided by the Internal Revenue Service.

Post-Employment Benefits (OPEB): Prefunding of Postretirement Health Benefits:

- 1) Effective the first day of the pay period following ratification by both parties, the employer and employee contribution will be decreased by one percent from 4.4 percent to 3.4 percent.
- 2) Effective July 1, 2023, the contribution percentages will be adjusted based on the actuarially determined total normal cost. Adjustments to both the employer and employee contribution percentages will occur if the actuarially determined total normal costs increase or decrease by more than half a percent from the normal total cost contribution percentages in effect at the time. If it is determined that an adjustment to the contribution rate is necessary, commencing no sooner than July 1, 2023, and July 1 of each fiscal year thereafter, the employer and employee contribution percentages will be increased or decreased to maintain a 50 percent cost sharing of actuarially determined total normal costs. Furthermore, the increase or decrease to the employer or employee contribution in any given fiscal year shall not exceed 0.5 percent per year.

Health Benefits:

- Effective the first day of the pay period following ratification by both parties, through June 30, 2024, all Bargaining Unit 8 employees enrolled in a state-sponsored health benefit plan shall receive a monthly payment of \$260, regardless of party code enrollment. This payment shall not be considered as compensation for purposes of retirement.

Reducing the 72-Hour Duty Week :

- 1) The State and the Union agree to reduce the 72-hour duty week to a 66-hour duty week, a 24-hour reduction per work period, starting in November 1, 2024 subject to appropriation in the 2024-2025 Budget Act.
- 2) A Joint Labor Management Committee (JLMC) shall be established to determine the changes needed to implement the reduction. Topics of discussion shall include but not be limited to; hours of work (reduce the 72-hour duty week), shift patterns, work schedules, retention and recruitment, and classifications.

- 3) The State and the Union agree to present a mutual agreement to the Director of Finance by July 1, 2023, for inclusion in the Governor's proposed 2024-2025 Budget.
- 4) If the Governor declares a fiscal emergency and General Fund moneys over the multiyear forecasts beginning in the 2024-2025 Governor's Budget are not available to support the reduction to a 66-hour duty week on an ongoing basis, including the estimate of direct costs and any increases in the cost of overtime driven by the proposal, the parties agree to reopen this provision regarding how and when to implement this section.

Term:

- Effective the first day of the pay period following ratification by both parties.

The union ratification will be completed in October 2022.

Duration:

- July 1, 2022 through June 30, 2024.

Fiscal:

- Fiscal Year 2022-23 Cost: \$45.7 million (\$19.9 million General Fund)

Memorandum of Understanding with BU 9.

This bill ratifies an MOU entered into between the state and BU 9, represented by the Professional Engineers in California Government (PECG) on August 22, 2022, notwithstanding the requirement for the LAO to produce a fiscal analysis. The MOU agreement is, as follows:

General Salary Increases:

- 1) Effective July 1, 2022, all BU 9 classifications shall receive a general salary increase of 2.5 percent.
- 2) Effective July 1, 2023, all BU 9 classifications shall receive a general salary increase of 3 percent.
- 3) Effective July 1, 2024, all BU 9 classifications shall receive a general salary increase of 2 percent.

Professional Qualification Compensation:

- Effective the first day of the pay period following ratification by both parties, all BU 9 employees who paid dues to one, or more, job-related professional societies or organizations shall be reimbursed up to \$250 per fiscal year.

Long-Term Differential:

- Effective the first day of the pay period following ratification by both parties, the differential for California Department of Transportation employees who are assigned to

long-term assignments lasting more than 365 days will increase from \$1,800 per month to \$3,000 per month.

Diving Pay:

- Effective the first day of the pay period following ratification by both parties, the rate for employees in classifications currently eligible to receive diving pay shall increase from \$12 per diving hour to \$25 per diving hour.

Recruitment and Retention Pay Differential:

- Effective the first day of the pay period following ratification by both parties, the Transportation Surveyor (Caltrans) classification has been added to the \$300 per month recruitment and retention pay differential.

Longevity Pay:

- Effective the first day of the pay period following ratification by both parties, employees with 17 or more years of state service will receive this pay differential based on the following schedule:
 - a) Two percent (2%) for employees with 17 years of state service.
 - b) Three percent (3%) for employees with 18 years of state service.
 - c) Four percent (4%) for employees with 19 years of state service.
 - d) Five and a half percent (5.5%) for employees with 20 years or more years of state service.

Geographic Pay:

- Effective the first day of the pay period following ratification by both parties, employees whose worksite is located in Contra Costa County will receive a \$250 per month pay differential.

Range C Special Salary Adjustment Joint Labor Management Committee:

- Establishes a joint labor management committee to study Range C of thirteen BU 9 classifications to mutually decide on appropriate special salary adjustments to become effective July 1, 2023. The total cost of these salary adjustments and related benefits shall not exceed 1.0 percent of payroll for BU 9 employees as of June 2022. The study will be completed no later than March 1, 2023.

CPESC/QSD/QSP Certificates:

- Full-time BU 9 employees who successfully complete the examination for the Certified Professional in Erosion and Sediment Control (CPESC), the Qualified Storm Water Pollution Prevention Plan Developer (QSD), or the Qualified Storm Water Pollution Prevention Plan Practitioner (QSP) certificates may be reimbursed for the application

and/or examination fees. Full-time BU 9 employees may also be reimbursed renewal fees once every three years.

Safety Footwear:

- Effective the first day of the pay period following ratification, the amount and frequency of reimbursement for BU 9 employees that are required to purchase safety footwear shall increase from \$100 every 18 months to \$150 every 12 months.

Health and Welfare: Family Care Leave:

- Effective July 1, 2023, BU 9 employees who are enrolled in the annual leave program will be eligible for the non-industrial disability insurance Family Care Leave program. This program provides eligible employees up to six weeks of paid leave (50% of gross salary) within a 12-month period for the care of a seriously ill family member or to bond with a newborn child, adopted child or foster care placement. Employees have the option to use their own leave credits to supplement up to either 75 percent or 100 percent of this income benefit.

Term:

- July 1, 2022 through June 30, 2025.

Duration:

- Effective the first day of the pay period following ratification by both parties.

The union ratification process will be completed no later than August 31, 2022.

Fiscal:

- Fiscal Year 2022-23: \$68.1 million (\$2.0 million General Fund)

Memorandum of Understanding with BU 18.

This bill ratifies an MOU entered into between the state and BU 18, represented by the California Association of Psychiatric Technicians (CAPT) on August 4, 2022, notwithstanding the requirement for the LAO to produce a fiscal analysis. The MOU agreement is, as follows:

Compensation: General Salary Adjustment and Special Salary Adjustments:

- 1) Effective July 1, 2022, all BU 18 classifications shall receive a general salary increase of 2.5 percent.
- 2) Effective July 1, 2023, all BU 18 classifications shall be adjusted by increasing the maximum of the salary range by 4 percent.
- 3) Effective July 1, 2024, all classifications shall be adjusted by increasing the maximum of the salary range by 4 percent.

Recruitment and Retention Pay Differential – State Hospitals (DSH):

- Psychiatric Technicians and Senior Psychiatric Technicians at DSH Atascadero will receive a \$400 per month pay differential. Psychiatric Technicians and Senior Psychiatric Technicians at DSH Coalinga, Napa and Metropolitan will receive a \$200 per month pay differential.

Longevity Pay Differential:

- Establishes a longevity pay differential for BU 18 employees in a licensed classification with 17 or more years of state service. This pay differential counts towards compensation for the purposes of retirement. This pay differential will be established six months from ratification, and will be phased in based on the following schedule:
 - a) Two percent (2%) on March 1, 2023, for employees with 17 or more years of state service.
 - b) Three percent (3%) on July 1, 2023, for employees with 20 or more years of state service.
 - c) Four percent (4%) on July 1, 2024, for employees with 23 or more years of state service.
 - d) Five percent (5%) on July 1, 2025, for employees with 25 or more years of state service.
 - e) The above percentages are non-cumulative.

Health Care Facility Retention Payment:

- Employees who were employed on January 1, 2022, and remain employed on the first day of the pay period following ratification, and who have been working more than fifty percent of the time in a correctional facility, correctional health care facility, state hospital or developmental services facility shall receive a one-time payment of \$1,500.

Mental Health and Wellness Stipend:

- Effective July 1, 2022, each employee who works a qualifying pay period will be eligible to earn \$100 per month through June 30, 2024. This stipend will be paid as a lump sum every six-months.

Post-Employment Benefits: Prefunding of Other Post-Retirement Benefits (OPEB):

- Effective the pay period following ratification by both parties, the contribution percentages will be adjusted based on the actuarially determined total normal cost. If the total normal costs increase or decrease by more than half a percent from the total normal cost contribution in effect at that time, the employer and employee contribution percentages will be increased or decreased July 1 each fiscal year thereafter, to maintain a 50 percent cost sharing of actuarially determined total normal costs. The increase or decrease to the employer or employee contribution shall not exceed 0.5 percent per year.

Health, Dental, Vision:

- The state's monthly health benefit contribution for each employee shall continue to be a flat dollar amount equal to 80 percent of the weighted average of the basic health benefit plan premiums of the four largest enrolled basic health plans. The flat dollar amounts shall be increased or decreased as appropriate pursuant to the formula on January 1, 2023, January 1, 2024, and January 1, 2025.

Transportation Incentives:

- 1) Effective the first day of the pay period following ratification by both parties, employees working in areas served by mass transit will be eligible for a 100 percent discount on public transit passes up to the exclusion amount provided by the Internal Revenue Service.
- 2) Effective the first day of the pay period following ratification by both parties, employees riding in vanpools or driving vanpools will be eligible for a 100 percent reimbursement of the monthly fee up to the exclusion amount provided by the Internal Revenue Service.

Business and Travel Expenses:

- During the term of this agreement, the State agrees to apply any future changes to the business and travel expense reimbursement rates to BU 18 employees.

Duration:

- Upon ratification through July 1, 2025.

Term:

- Effective the first day of the pay period following ratification by both parties. The union ratification process will be completed in August 2022.

Fiscal:

- Fiscal Year 2022-23: \$39.5 million (\$38.5 million General Fund)

Mental Health Specialists Pay Differential.

This bill ratifies a side letter agreement entered into between the state and BU 19 (AFSCME) on July 29, 2022. Specifically, this measure ratifies the following:

- 1) To retain and recruit psychologists, the side letter establishes a 15% pay differential for psychologists and senior psychologists performing in-person treatment at five psychiatric in-patient (PIP) facilities within CDCR/California Correctional Health Care Services. The five PIPs include - California Health Care Facility, California Medical Facility, San Quentin State Prison, California Institution for Women, and Salinas Valley State Prison.

To qualify for the pay differential, employees must have worked in a PIP providing direct care to patients for more than 50% of the pay period.

- 2) The pay differential does not apply to overtime hours.

- 3) The measure appropriates \$25,987,000 General Fund ongoing for the purpose of state employee compensation, as provided.

Health Care Facility Employee Retention Payment:

This bill ratifies an MOU side letter entered into between the state and BU 10 (CAPS) on July 29, 2022, as follows:

- 1) A one-time payment of \$1,500 to employees “who have been in-person supporting the delivery of care to the most acute patients during the COVID-19 pandemic.”
- 2) Eligible employees must have been employed by the state on January 1, 2022, and must have remained employed by the state through July 1, 2022.
- 3) Eligible employees must be employed in a correctional facility, hospital, veterans’ home, or developmental services facility for at least 50% of the time during the pandemic.
- 4) Appropriates \$68,000 one-time General Fund for expenditure in the 2022-23 fiscal year for the cost of the bonuses.

Workers' Compensation Full Salary Benefit:

This bill establishes a new statute for workers’ compensation benefits for employees of BU 8 (CAL FIRE Local 2881) and ratifies an MOU side letter entered into on August 11, 2022, as follows:

- 1) Establishes a new statute, Labor Code section 4811, in lieu of the Enhanced Industrial Disability Leave provided by Government Code section 19871.3.
- 2) An employee who is injured on the job will be eligible for up to one year of salary in lieu of enhanced disability payments.
- 3) An employee that suffers a severe burn during the course of work will be eligible for up to three years of salary in lieu of enhanced disability payments.
- 4) An employee will only be eligible for the new benefit for the time period during which they would normally be employed.
- 5) The new code section takes effect on November 1, 2022.
- 6) The new statute does not increase any costs to the department and is absorbable.

Augmentation for Employee Compensation:

This bill appropriates \$50 million (\$3 million General Fund) to account for revised General Salary Increases of from 2.06 percent to 2.63 percent for Judges and the updated costs related to the salary survey estimates for the California Highway Patrol (BU 5).

COMMENTS

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill appropriates \$298,737,000 (\$105,531,000 General Fund) to implement the MOUs and all of the side letter agreements as described above.

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: August 26, 2022

CONSULTANT: Patrick Le / BUDGET / (916) 319-2099

FN:

SUMMARY

Extends COVID-19 supplemental paid sick leave provisions contained in SB 114 (Committee on Budget and Fiscal Review, Chapter 4, Statutes of 2022) from September 30, 2022 to December 31, 2022, which entitles covered employees up to 80 hours of paid sick leave under specified circumstances. Makes changes to the testing requirements to determine paid sick leave eligibility. Establishes a grant program within the Governor’s Office of Business and Economic Development to assist qualified small businesses who incurred costs providing supplemental paid sick leave to employees.

Major Provisions

- 1) Existing law entitles a covered employee, as defined, to 40 hours of COVID-19 supplemental paid sick leave if the employee is subject to a COVID-19 quarantine or isolation period, is attending a vaccine or vaccine booster appointment, experiencing related symptoms, or caring for a child whose school or place of care is closed. Existing law entitles covered employees to an additional 40 hours of supplemental sick leave to provide care to a family member who tests positive for COVID-19. This bill extends those provisions from September 30, 2022 to December 31, 2022.
- 2) Existing law allows an employer to require a covered employee to submit to a diagnostic test on or after the fifth day after receiving the first COVID-19 positive test that entitles the employee to supplemental paid sick leave. This bill also allows the employer to require the employee to submit to a third diagnostic test within no less than 24 hours, at no cost to the employee. Specifies that the employer has no obligation to provide additional COVID-19 supplemental paid sick leave for an employee who refuses to submit to the diagnostic tests.
- 3) Establishes the California Small Business and Nonprofit COVID-19 Supplemental Paid Sick Leave Relief Grant Program within Go-Biz to assist qualified small businesses and nonprofits, with between 26 to 49 employees, for incurring costs for COVID-19 supplemental paid sick leave through administration of grants. Defines qualified small business or nonprofit and outlines eligibility guidelines for the grant program. Authorizes the Department of Finance to increase the appropriation for the grants by \$70 million if General Fund savings are achieved due to increases in federal funds. Repeals the program January 1, 2024.

COMMENTS

This bill enacts statutory changes adopted as part of the Budget Act of 2022.

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill makes an appropriation of \$10,000 from the General Fund to the Labor Commissioner for the purposes of implementing changes made to the provisions relating to COVID-19 supplemental paid sick leave.

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: August 27, 2022

CONSULTANT: Patrick Le / BUDGET / (916) 319-2099

FN:

SUMMARY

This is the general government trailer bill and contains the necessary changes related to the Budget Act of 2022.

Major Provisions

- 1) *State Bar of California Appointments*: Exempts public members of the State Bar of California’s board of trustees from outdated conflict of interest provisions.
- 2) *Court Reporter Voice Writing*: Includes a definition of voice writing used by court reporters and expands the definition of the practice of shorthand reporting; requires the Court Reporters Board of California to treat certificate holders equally regardless of the method of qualification and to indicate on each certificate whether the certificate holder met the examination requirements using a qualifying methodology; and prohibits employers from differentiating among certificate holders based on the method of qualification.
- 3) *Debt Collector Licensing Act: Conditional Licenses*: Requires the Commissioner of the Department of Financial Protection and Innovation to allow any debt collector that submits an application before January 1, 2023, to operate pending the approval or denial of the application; authorizes the commissioner to issue a conditional license to an applicant pending receipt and review of the fingerprint images and related information; requires a conditional license to expire under certain conditions, including upon issuance of an unconditional license; requires the commissioner to notify the applicant, in writing, that if the applicant fails to submit responsive information within 60 days from the date the commissioner sent the written request for information, the commissioner may deem the application abandoned; and amends the definition of a “licensee” to mean a person licensed, conditionally or unconditionally.
- 4) *State Appropriations Limit Subvention Definitions*: Existing law provides that for the 2021-22 fiscal year, the state’s subventions to local governments (an exclusion from appropriations subject to limitation pursuant to Article XIII B of the California Constitution) include money provided to a local agency from various specified state programs. Existing law further specifies that such funds shall be included within the Article XIII B appropriations limit of the recipient local agency, but only up to that local agency’s appropriation limit, and that any portion of those funds received by the local agency that exceeds its appropriations limit shall be calculated and included within the state’s appropriations limit. This bill makes various technical and conforming changes to those provisions.
- 5) *Advance Payment Pilot*: Until July 1, 2025, authorizes state agencies administering specified programs to advance payments to local agencies, nongovernmental entities, and other state agencies if certain criteria are met, including requiring advance payment recipients to provide an itemized budget, spending timeline, and workplan. Limits the advance payment to a local agency or nongovernmental entity to 25 percent of the total

grant amount awarded to that recipient, unless the administering state agency determines that the project requires a larger advance. Requires the recipient or any subrecipients to cooperate with audits by the Department of Finance related to the advanced payments, as specified in the bill. Requires the administering state agency to prioritize local agency or nongovernmental entity recipients and projects serving disadvantaged, low-income, and under-resourced communities or organizations with modest reserves and potential cashflow problems. Requires local agency and nongovernmental entity recipients to submit additional documentation and progress reports on the spend-down of funds, and to demonstrate good standing with the federal Internal Revenue Service.

- 6) *Fi\$Cal*: Creates a statutory framework for the reporting and oversight of remaining Fi\$Cal project milestones, including the intergration of cash management functions and the migration of the ten remaining deferred departments to the system;
- 7) *Office of Digital Innovation*: Effective July 1, 2023, this bill changes the "Office of Digital Innovation" under the Government Operations Agency to the "Office of Data and Innovation" (ODI). Specifies that ODI's mission is to deliver better government services through technology and service innovation, data, and design. This bill revises the methods by which the office is required to fulfill that mission to include, among other things, using data-informed practices to measurably improve services. This bill makes the appointment of ODI's director subject to Senate confirmation, and creates the position of Chief Data Officer within ODI.
- 8) *Budget Act Listing*: Existing law identifies the bills constituting each budget act from the Budget Act of 2011 through the Budget Act of 2020. This bill would identifies the bills constituting the Budget Act of 2021.
- 9) *Loan Repayment*: Existing law allows the state to sell bonds and use portion of those proceeds to finance the construction of public buildings. Existing law also requires amounts made available from the General Fund used to finance public buildings to be repaid from the proceeds received from the sale of bonds. This bill would also authorize General Fund repayment to be made from any other lawfully available source of funds.
- 10) *California Institute to Advance Precision Medicine*: Extends the Precision Medicine program's sunset date from January 1, 2026 to June 30, 2029, to allow the Office of Planning and Research to award research contracts for newly-funded projects, which extend beyond the current sunset date of the program. In addition, this bill includes language clarifying that the 10 percent administrative cost cap in the Precision Medicine program only applies to demonstration projects - which are grant-funded external research and demonstration projects - and not for non-demonstration research projects, as these projects are completed by the Precision Medicine program and typically use more than 10 percent for administrative costs. The 2022 Budget Act includes \$19.3 million General Fund for Precision Medicine projects, including \$10 million for depression research and \$9.3 million to increase participation of underrepresented communities in biomedical research. The change in administrative cost cap for non-demonstration projects will allow OPR to implement the \$9.3 million program to implement the participation of underrepresented communities in biomedical research as planned.
- 11) *SB 62 (Durazo, Chapter 329, Statutes of 2021) and Youth Apprenticeship Program*: Makes technical and non-substantive changes to correct drafting errors in provisions.

- 12) *Goat Herder Pay*: Existing law establishes labor provisions specifically applicable to shepherders, including authorizing an employer of a shepherder to pay a specified monthly minimum wage as an alternative to paying the minimum wage for all hours worked to shepherders employed on a regularly scheduled 24-hour shift on a seven-day-a-week “on-call” basis. Existing law provides that an employer, or any other person acting on behalf of the employer, who violates or causes to be violated those provisions is subject to a civil penalty. Existing federal law governing immigration authorizes the importation of an alien as a nonimmigrant agricultural worker, known as an H-2A worker, if specified requirements are met, including that the employer furnishes housing, as specified. This trailer bill: 1) Prohibits an employer from crediting meals or lodging against the minimum wage owed to shepherders and would require every employer to provide to each shepherder not less than the minimum monthly meal and lodging benefits required to be provided by employers of shepherders under the provisions of the H-2A visa program, 2) increases the civil penalties for violations, 3) applies, until January 1, 2024, the labor provisions specifically applicable to shepherders to be applicable to goat herders and 4) prior to the sunset date, directs the Labor Commissioner to issue a report to the Legislature on wage violations, including minimum wage and overtime, affecting shepherders and goat herders.
- 13) *County Assessor Grant Program*: Clarifies, that for purposes of the County Assessor’s Grant Program, a lead county may be designated by the department to accept funds on behalf of a county assessor’s joint powers authority.
- 14) *HOPE Program*: Establishes the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Act to provide a trust account to an eligible child; defines “eligible child” to mean a minor resident of California who is under 18 years of age, are specified dependents or wards under the jurisdiction or juvenile court in foster care with reunification services terminated by court order, or who have a parent, Indian custodian, or legal guardian who died due to COVID-19 during the federally declared COVID-19 public health emergency and the meet the specified family household income limit; creates the HOPE for Children Trust Account Program Board, and requires the board to administer the program and the funds to create opportunities, economic autonomy, and hope, and to promote wealth and asset building for an eligible child and eligible youth to address California’s record levels of inequality; establishes the HOPE for Children Trust Account Fund in the State Treasury and continuously appropriates those funds; requires the Treasurer to convene a workgroup to advise the Treasurer on program design, including but not limited to, data sharing with relevant governmental agencies and departments, outreach to families of eligible children and eligible youth, process for program enrollment, and measuring outcomes; requires the board to submit a report to the DOF and the Legislature by February 1, 2024; excludes from gross income, for purposes of personal income tax, funds deposited and investment returns accrued, and any accrued interest in a HOPE trust account, and any funds withdrawn or transferred from that account beginning January 1, 2023; provides that funds deposited, any investment returns accrued, and any accrued interest in a HOPE trust account, and any funds withdrawn or transferred from that account, are not earned income for purposes of eligibility for the California Earned Income Tax Credit and the Young Child Tax Credit beginning January 1, 2023.
- 15) *Civil Rights Department*: Includes a technical, non-substantive change to resolve a chaptering issue by including a reference for the Civil Rights Department in the Unemployment Insurance Code.

COMMENTS

This is the general government trailer bill and contains the necessary changes related to the Budget Act of 2022.

Arguments in Support

None on File.

Arguments in Opposition

None on File.

FISCAL COMMENTS

This bill creates the California Hope, Opportunity, Perseverance and Empowerment for Children Trust Account Fund established in the State Treasury. By making the fund continuously appropriated to implement the program, this bill makes an appropriation.

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: August 27, 2022

CONSULTANT: Patrick Le / BUDGET / (916) 319-2099

FN:

SUMMARY

This trailer bill contains changes necessary to implement the 2022 Budget Act relating to state administration. Specifically, this bill:

Major Provisions

Infrastructure and Economic Development Bank

- 1) Applies the exemption that specified information and records of I-Bank are exempt from disclosure, to the administration by I-Bank of the Climate Catalyst Revolving Loan Fund Act of 2020, the Venture Capital Program, and the financing of economic development facilities and public development facilities under certain circumstances.
- 2) Applies the exemption to documents and information provided to I-Bank on and after August 1, 2022, and prior to July 1, 2025.

CA Small Agricultural Business Drought Relief Grant Program

- 3) Creates the California Small Agricultural Business Drought Relief Grant Program within the Office of Small Business Advocate (office) to provide grants to qualified small agricultural businesses that have been affected by severe drought conditions.
- 4) Provides that the office may contract with a fiscal agent to carry out the program, at a rate of no more than 5 percent of the funds.
- 5) Provides that grants to qualified small agricultural businesses may be administered in one or more rounds and requires the office to conduct marketing and outreach for equitable awareness and the distribution of grants, as specified.
- 6) Defines “qualified small business” as a business that meets all of the following, as confirmed by the office or fiscal agent through review of revenue declines, other relief funds received, credit history, tax returns, payroll records, and bank account validation:
 - a. Is a sole proprietor, independent contractor, C-corporation, S-corporation, cooperative, limited liability company, partnership, nonprofit, or limited partnership, with 100 or fewer full-time employees in the 2022 taxable year.
 - b. Experienced a decline in annual gross receipts or gross profits of 10 percent or more.
 - c. Began operating in the state prior to January 1, 2020.
 - d. Is currently active and operating.
 - e. Has been affected by severe drought according to the United States Department of Agriculture drought monitor.

- f. Provides organizing documents, including a federal tax return or Internal Revenue Service Form 990, and a copy official filings with the Secretary of State or with local municipality, as applicable, including, but not limited to, articles of incorporation, certificate of organization, fictitious name of registration, or government-issued business license.
- 7) Specifies that “qualified small business” shall not include:
 - a. Businesses without a physical presence in the state.
 - b. Governmental entities, other than Native American tribes, or elected officials offices.
 - c. Businesses primarily engaged in political or lobbying activities, regardless of whether the entity is registered as a 501(c)(3), 501(C)(6), or 501(c)(19) nonprofit entity or other nonprofit entity.
 - d. Passive business, investment companies, and investors who file a Schedule E on their tax returns.
 - e. Financial institutions or businesses primarily engaged in business of lending, such as banks, finance companies, and factoring companies.
 - f. Businesses engaged in any activity that is unlawful under federal, state, or local law.
 - g. Businesses that restrict patronage for any reason other than capacity.
 - h. Speculative businesses.
 - i. Businesses with any owner of greater than 10 percent of the equity interest in it as specified.
 - j. Affiliated companies, as described in Section 121.103 of Title 13 of the Code of Federal Regulations, as it read on August 1, 2022.
 - k. Other businesses to be determined by the office consistently with requirements and intent of this subdivision.
- 8) Provides grants to be awarded as follows:
 - a. 10 percent of the grant funds shall be held for qualified small agricultural businesses that do not file 2022 tax year returns until 2024.
 - b. 20 percent of the grant funds shall be allocated in one or more rounds for small and socially disadvantaged farmers who are qualified small agricultural businesses as specified.
 - c. Remaining percentage of grants funds shall be allocated to qualified small agricultural businesses most impacted by severe drought, including, but not limited to, those identified in the 2022 North American Industry Classification System codes, as specified.

- 9) Provides that grants be awarded as follows:
 - a. \$60,000 for applicants with a decline in annual gross receipts or gross profits of 30 percent or more and less than 40 percent.
 - b. \$80,000 for applicants with a decline in annual gross receipts or gross profits of 40 percent or more and less than 60 percent.
 - c. \$100,000 for applicants with a decline in annual gross receipts or gross profits of 50 percent or more.
- 10) Requires that grant money awarded shall be used for costs to maintain the recipient business through the drought including:
 - a. Employee expenses, including payroll costs, health care benefits, paid sick, medical, or family leave, and insurance premiums.
 - b. Working capital and overhead, including rent, utilities, mortgage principal, and interest payments, but excluding mortgage prepayments, and debt obligations, including principal and interest, incurred before the onset of severe drought.
 - c. Any other drought-related expenses not already covered through grants, forgivable loans, or other relief through state, county, or city programs.
- 11) Requires the office to report to the Legislature about diversity on or before December 31, 2024.
- 12) Allows the office and the Franchise Tax Board to adopt regulations to implement this program.

Governor's Office of Business and Economic Development

- 13) Authorizes the Governor's Office of Business and Economic Development (Go-Biz), until July 1, 2025, to undertake measures that are necessary or useful to prepare and submit an application to receive funding and participate in a regional clean hydrogen hubs program established by the Secretary of Energy.
- 14) Specifies that grants received from the regional clean hydrogen hubs program may only be provided to projects that create hydrogen using Renewable Portfolio Standard (RPS) resources eligible for procurement by investor-owned electric utilities (IOUs).
- 15) Requires GO-Biz to submit an annual report on participation in the regional clean hydrogen hubs program.

Customer Facility Charge

- 16) Extends the authorization for one year, from January 1, 2023, to January 1, 2024, for an airport to impose a customer facility charge when the bonds used for financing are paid.

Foreclosure Intervention Housing Preservation Program (FIHPP)

- 17) Makes technical changes to the FIHPP enacted in the 2021 Budget Act including:

- a. Clarifies that the Department of Housing and Community Development may provide grants in addition to loans to eligible borrowers.
- b. Removes the date limit for returned funds and requires uncommitted or returned funds to be additionally made available for the Multifamily Housing Program.
- c. Requires fund managers to deposit unused programs funds into separately maintained reuse accounts, instead of just one fund, for purposes of the program.
- d. Requires fund managers to use funds held in the reuse accounts to administer loans and grants to pay for repairs, maintenance, or improvements on properties acquired pursuant to the program.
- e. Removes the authority to use the funds for providing technical assistance.
- f. Clarifies that a borrower or grantee may receive funds from a grant in addition to a loan made pursuant to the program.

Accessory Dwelling Units

- 18) Requires the California Housing Finance Agency (CalHFA) to convene a working group to develop recommendations to assist homeowners in qualifying for loans to construct accessory dwelling units (ADUs) and junior ADUs on their property and increase access to capital for homeowners interested in building ADUs and develop recommendations by July 1, 2023, for the agency to consider.

Adaptive Reuse within the Infill Infrastructure Grant Program

- 19) Creates the catalytic qualifying infill areas (CQIA) within the Infill Infrastructure Grant Program and requires grants for small and large jurisdictions to be provided using a selection process established by the Department of Housing and Community Development (department) consistent with the following requirements:
 - a. Applicants shall meet both the minimum threshold requirements:
 - i. Readiness, which includes the following:
 - 1. A demonstration that the CQIA developed can complete environmental review and secure necessary entitlements from the local jurisdiction within a reasonable period of time following the submission of a grant application.
 - 2. A demonstration that the eligible applicant has a viable plan to secure sufficient funding, derived from sources other than this part for the timely development of housing within a CQIA.
 - ii. A demonstration of the CQIA location's consistency with an adopted sustainable communities strategy or alternative planning strategy pursuant to Section 65080 of the Government Code.
 - b. Requires the department, at a minimum, to rank the affected CQIA applications for small jurisdictions and large jurisdictions based on the following:

- i. The number of housing units, including affordable units, as specified, to be developed within the CQIA.
 - ii. The depth and duration of the affordability of the housing proposed for within the CQIA.
 - iii. The extent to which the average residential densities on the parcel or parcels to be developed exceeds the density standards, as specified.
 - iv. The CQIA's inclusion of, or proximity or accessibility to, a transit station, major transit stop, or other areas yielding significant reductions in vehicles miles traveled.
 - v. The proximity of planned housing within the CQIA used in the calculation of the eligible grant amount to existing or planned parks, employment or retail centers, schools, or social services.
 - vi. Existing or planned ordinances and other zoning or building provisions that facilitate adaptive reuse, including, but not limited to, demonstration that, if the existing commercial, office, or retail structure intended for reuse as housing does not occupy the entirety of the underlying parcel, the adaptive reuse project will be permitted to add to the existing building or structure provided that the addition is consistent with the existing or planned zoning of the parcel.
 - vii. The extent to which local strategies or programs are in place to prevent the direct or indirect displacement of local community residents or businesses from the area within and surrounding the CQIA.
 - viii. The level of community outreach and engagement in project planning, including efforts to involve disadvantaged communities and low-income residents particularly local community residents and businesses from the area within and surrounding the CQIA.
 - ix. Inclusion of any publicly owned lands within the designated CQIA.
 - x. Streamlining provisions related to the California Environmental Quality Act (CEQA), as specified, including, but not limited to, establishment of streamlined, program-level CEQA analysis and certification of general plans, community plans, specific plans with accompanying environmental impact reports, and related documents and streamlining proposed projects, such as enabling a by-right approval process or by utilizing statutory and categorical exemptions as authorized by applicable law.
- c. Requires eligible applicants to submit specified information in the application request for funding.
 - d. Requires the department, to the maximum extent feasible, to ensure a reasonable distribution of funds, including consideration of differing population sizes of localities and geographic location. Requires applications be considered and ranked against applications of localities of similar size and scope.

- e. Requires the department to report specified information to the relevant fiscal and policy committees of the Legislature by January 1, 2024.
- f. Defines “adaptive reuse” as the repurposing of building structures for residential purposes, such as former office use, commercial use, or business parks. When referring to building structures, adaptive reuse means retrofitting and repurposing of existing buildings that create new residential rental units, and expressly excludes a project that involves rehabilitation of any construction affecting existing residential units that are, or have been, recently occupied.
- g. Defines “catalytic qualifying infill area” as a contiguous area or multiple noncontiguous parcels located within an urbanized area that meet specified criteria.

Best Value Procurement

- 20) Defines “best value procurement” to mean a contract award determined by objective criteria related to price, features, functions, and life-cycle costs, as specified.
- 21) Provides that Caltrans may purchase and equip heavy mobile fleet vehicles and special equipment for use by Caltrans by means of best value procurement, using specification and criteria developed in consultation with the Caltrans. Omits the annual cap for the best value procurements.
- 22) Provides that the solicitation document specify what business performance measures in addition to price shall be given weighted value, in addition to disclosure of the minimum requirements for qualification. Requires the Caltrans to use a scoring method based on those factors and price in determining the successful bid. Requires any evaluation and scoring method to ensure substantial weight is given to the contract price. Requires the solicitation document to provide for submissions of a sealed price information. Provides that evaluation of all criteria other than price be completed before the opening price information.
- 23) Requires the department to post on its website a report by March 1, 2024.
- 24) Makes its provisions inoperative on June 30, 2025, and repeals the provisions on January 1, 2026.

Department of Motor Vehicles (DMV): Private Industry Partner Fees

- 25) Requires the DMV, on or before September 1, 2022, and annually thereafter, to adjust the amount in accordance with the most recent available data on growth in the California Consumer Price Index for all Urban Consumers.
- 26) Provides that the initial adjustment made on or before September 1, 2022, be based on growth in the California Consumer Price Index for All Urban Consumers in the period since the end of the 2021 calendar year.

COMMENTS

This is a budget bill within the overall 2022-23 budget package necessary to implement actions related to state administration.

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

The appropriations for these programs are contained in the Budget Act of 2022.

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: August 26, 2022

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

FN:

SUMMARY

This trailer bill contains changes necessary to implement the 2022 Budget Act relating to taxpayer relief. Specifically, this bill:

Major Provisions

Workers' Tax Credit

- 1) Allows for taxable years beginning on or after January 1, 2024, a credit in an amount equal to the greater of : 1) the dues paid to a labor organization during the taxable year multiplies by an adjustment factor as specified; or 2) the amount of dues paid during the year, as specified, but not to exceed \$100 (recomputed annually).
- 2) Provides that unless otherwise specified in the annual Budget Act, or a bill providing for appropriations related to the annual Budget Act, enacted after May 1, 2024, the worker's tax credit adjustment factor shall be 0 percent for that year, and the dollar amount allowed shall be \$0 for that taxable year.
- 3) States that it is the intent of the Legislature that the workers' tax credit adjustment factor and the maximum dollar amount be set in a manner to limit the annual revenue loss resulting to no more than \$400 million.
- 4) Includes the following definitions:
 - a. "Bona fide labor organization" means a labor organization that satisfies all of the following:
 - i. Is exempt from income taxes pursuant to Section 23701a.
 - ii. Actually represents employees in California as to wages, hours, and working conditions.
 - iii. Its officers have been democratically elected by its membership or otherwise in a manner consistent with federal law.
 - iv. Is free of domination or interference by any employer and has received no improper assistance or support from any employer.
 - b. "Dues" means the amount paid or incurred during the taxable year by a taxpayer for dues or dues equivalents paid to a bona fide labor organization.
- 5) Provides that the credit allowed under this program, shall be in lieu of any other credit or deduction that the qualified taxpayer may otherwise be allowed with respect to amount taken into account in calculating the credit.

- 6) Provides that if the amount allowable as a credit exceeds the tax liability computed for the taxable year, the excess shall be credited against other amounts due, if any, and the balance, if any, shall, upon appropriation by the Legislature, be paid from the Tax Relief and Refund account and refunded to the qualified taxpayer.
- 7) Requires the Franchise Tax Board to report to the Legislature beginning in 2026 calendar year, and on annual basis thereafter, while the credit is in effect as specified.

Small Business Hiring Tax Credit

- 8) Makes nonsubstantive changes to the provisions that allow a small business hiring credit to a qualified small business employer, calculated based on net increase in qualified employees.

Paycheck Protection Program

- 9) Clarifies that the provisions of law that excludes from gross income any covered loan amounts forgiven pursuant to the PPP Extension Act of 2021 are effective for taxable years beginning on or after January 1, 2019.

Data Share

- 10) Repeals provisions related to the exchange of data between the State Department of Social Services (DSS), State Department of Health Care Services (DHCS), and the Franchise Tax Board (FTB).
- 11) Requires instead the DSS, DHCS to exchange data with FTB, including the names, addresses, and contact information of individuals that may qualify for the CalEITC, and would require all data provided to remain confidential and be used only for purposes directly connected with the federal Earned Income Tax Credit, the CalEITC, and other federal and state antipoverty tax credits.
- 12) Authorizes FTB to disclose individual income tax return information for taxable years beginning on or after January 1, 2020, and before January 1, 2022, to DSS and DHCS, and requires data provided to remain confidential and be used only for purposes of informing state residents of the availability of the Volunteer Income Tax Assistance (VITA), CalFile, the federal EITC, the CalEITC, and other federal and state antipoverty tax credits that are designed to alleviate poverty and tax burdens of low-income households.
- 13) Requires DSS and DHCS that receive data from FTB to annually provide FTB the results and findings of outreach conducted to measure whether the outreach achieves its intended purpose of increasing the number of claims for the federal EITC, the CalEITC, and other state and federal antipoverty tax credits.
- 14) Makes an appropriation of \$20,000 from the General Fund to the FTB to administer the data sharing provisions.

Better for Families Act

- 15) Provides the authority to make one-time Better for Families Refund payment to the Franchise Tax Board instead of the Controller.

COMMENTS

This is a budget bill within the overall 2022-23 budget package necessary to implement actions related to taxpayer relief.

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

The appropriations for these programs are contained in the Budget Act of 2022.

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: August 26, 2022

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

FN:

SUMMARY

This Public Safety trailer bill includes provisions necessary to implement the Budget Act of 2022 as it relates to public safety.

Major Provisions

Specifically this bill:

- 1) Exempts advertising for classes or events related to firearm safety, hunting, sport shooting, or promoting membership in an organization from the prohibition related to firearm advertising and marketing targeting minors.
- 2) Corrects for an erroneous cross reference related to civil assessments in Section 1463.001 of the Penal Code.
- 3) Corrects for an erroneous cross reference related to the closure of the Division of Juvenile Justice and the transfer of youth to the Department of State Hospitals in Section 1732.10(b)(5) of the Welfare and Institutions Code.
- 4) Adds successful participation by incarcerated individuals in an institutional firehouse program to the current policy that makes eligible incarcerated individuals who successfully participate in California Conservation camp programs as hand crew members to petition the court to have their pleadings dismissed.
- 5) Requires arson and sex offender registration for youth remaining in the Division of Juvenile Justice who are required to register, after its closure on June 30, 2023.
- 6) Makes changes to the victim compensation program, effective July 1, 2024, if there are sufficient revenues and an appropriation is made in the Budget Act for this purpose, including the following: 1) Expands the eligibility for victim compensation to individuals who are on parole or post-release supervision, 2) Removes the reimbursement limit for victims receiving outpatient mental health care, 3) Extends the timeline for victims to appeal a denial of compensation to one year, 4) Increases benefits levels for relocation to \$7,500, funeral and burial to \$20,000, and increases the maximum award to \$100,000, 5) Expands loss of income benefits to derivative victims as defined, 6) Expands education and outreach efforts by law enforcement and acute care hospitals to potential eligible victims of crime, 7) Provides compensation to erroneously convicted individuals for time served on parole or supervised release, and 8) Specifies that failure to cooperate with law enforcement shall not be determined by a victim's conduct with law enforcement at the scene of the crime or solely because a victim delayed reporting of the qualifying crime.
- 7) Incorporates chaptering amendments for Government Code Sections 13956 and 13957 proposed by SB 299 and SB 877, Penal Code Sections 4900 and 4904 proposed by SB 1468, and states Section 12 of the bill will only become operative if Senate Bill 688 of the 2021-22 Regular Session is enacted and becomes effective on or before January 1, 2023.

COMMENTS

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

This bill makes changes to expenditures from a continuously appropriated fund (Restitution Fund) related to the victim compensation 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: August 26, 2022

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

FN:

