# AGENDA

## ASSEMBLY BUDGET SUBCOMMITTEE NO. 4
## ON STATE ADMINISTRATION

### Assemblymember Joan Buchanan, Chair

**TUESDAY, MAY 24**
**1:30 PM - STATE CAPITOL ROOM 447**

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# ITEMS ON CONSENT

## ITEM 2240 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

### CONSENT ISSUE 1: Housing Bond Authority

The Governor's May Revision proposes appropriating $20.0 million for the Building Equity and Growth in Neighborhoods (BEGIN) Program, $25.0 million for the Housing Urban-Suburban-and-Rural Parks Program, and $18.0 million for the Transit-Oriented Development Program to provide bond financing to assist affordable housing.

### BACKGROUND

The appropriation extends the liquidation period for funding that was appropriated in previous years, in the 2005-06, 2006-07 and 2007-08 Budget Act appropriations. For the 2005-06 and 2006-07 appropriations, it is requested that the liquidation period be extended from June 30, 2011 to June 30, 2013, and for the 2007-08 appropriation from June 30, 2012 to June 30, 2013. The Department of Finance issued Budget Letter 08-33, dated 12/17/08, which imposed suspension of all bond funded awards. The suspension resulted in bond funded project delays. Developers are working towards fulfilling the final steps of the program obligations.

### STAFF COMMENT

All projects requesting an extension of the Liquidation dates were previously suspended by the Pooled Money investment Board’s decision to freeze all disbursements from AB 55 loans. All state entities that had expenditure control and oversight of General Obligation and lease revenue bond programs were ceased. In order to complete projects that were left incomplete due to lack of funding reappropriation is necessary using the same funds.

**Staff Recommendation: Adopt Governor's May Revision Proposal**

# VOTE-ONLY CALENDAR

## 9860 CAPITAL OUTLAY

### ISSUE 1: BUDGET REDUCTION

**Governor's May Revision Letter.** The Governor's May Revision proposes an unallocated Capital Outlay reduction of $500,000 General Fund (the full budgeted amount) in 2011-12.

### STAFF COMMENT

This budget provided funding to State agencies to develop design and cost information (known as budget packages) for new projects. Due to the current fiscal condition of the state, fewer infrastructure projects are being authorized and, as such, the state is preparing fewer budget packages. As a result, the Administration has determined that the $500,000 budgeted for 2011-12 is not needed and that this reduction will help address the remaining budget shortfall. To the extent that it is determined that funds for budget packages are needed in 2012-13, it is anticipate that a request will be submitted through the normal budget process.

This Capital Outlay funding is not used to provide cost information for higher education, K-12, or highway projects – these entities have a separate funding source to develop cost information.

**Staff Recommendation: Adopt May Revision Letter.**

## 0510 STATE AND CONSUMER SERVICES AGENCY

### ISSUE 1: ELIMINATION OF GENERAL FUND SUPPORT

**Governor's May Revision.** The Governor's May Revision proposes the elimination of General Fund support for the State and Consumer Services Agency (SCSA). The proposal includes a decrease of $965,000 all funds ($548,000 General Fund), but an equal offset by an increase of $965,000 in reimbursements.

**Background.** The Secretary for State and Consumer Services provides oversight for three departments, two museums, three commissions, three boards, and two retirement systems. The SCSA budget for 2011-12 is $2,466,000 ($1,038,000 General Fund) and 15.3 positions. This includes:

Program 10-State and Consumer Services Agency Oversight ($1,607,000)

- General Fund: $548,000
- Central Service Cost Recovery Fund: $417,000
- Reimbursements: $642,000 (for Office of the Insurance Advisor)
- 8.3 Positions (4.0 positions are Office of the Insurance Advisor)

Program 20-Office of Privacy Protection ($859,000)

- General Fund: $490,000
- Central Service Cost Recovery Fund: $369,000
- 7.0 Positions

**Proposed Reductions.** The proposal would require the Departments under the SCSA's purview receiving oversight, to reimburse the SCSA for operational expenses. Reimbursement of $965,000 would be allocated based on the total number of authorized positions within each department. No additional funding would be provided to departments incurring this expense; therefore, this would result in an unallocated reduction to those entities. The proposal also removes the SCSA from departments identified as Central Services Agencies, to save $417,000 in Central Service Cost Recovery Funds.

**Staff Recommendation: Adopt May Revision proposal.**

## ITEM 2240 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

### VOTE-ONLY ISSUE 1: FEDERAL NEIGHBORHOOD STABILIZATION PROGRAM

The Department of Finance has requested the following appropriations of one-time carryover funding in a May Revision fiscal letter.

Federal Neighborhood Stabilization Program (Issue 200) – It is requested that item 2240-101-0890 be increased by $11,282,000 and item 2240-101-0001 be amended to reflect this change. This will provide federal funding for local agencies to purchase abandoned or foreclosed homes and rehabilitate them for resale or rental to low-or-moderate income families.

**Staff Recommendation: Adopt May Revision Proposal**

# ITEMS TO BE HEARD

## ITEM 2240 DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

### ISSUE 1: Vega et al. v. Richard Mallory, HCD

The Governor's May Revision proposes an extension of the liquidation period for an appropriation in the 2006 claims bill AB 1784 (Chu), Chapter 163, Statues of 2006, which was provided for the settlement of litigation related to rent at the Office of Migrant Services Center. The extension is needed for Department of Housing and Community Development (HCD) to make repairs on the centers, which is a condition of the settlement.

### BACKGROUND

The Legislature provided additional funds ($601,000) for HCD to complete the repayment process prescribed by *the Vega v. Mallory* settlement, to address rent overcharges of Office of Migrant Services (OMS) center residents. The settlement provides that any remaining funds be used for OMS center repairs. The administrator of the settlement funds did not notify HCD of the last payment in time for the Department to begin the process, as stated in the settlement, to utilize the remaining funds for OMS center repairs.

### STAFF COMMENT

Failure to use these funds for the repair purposes would be in violation of the settlement agreement by the Department. Extending the liquidation date to June 30, 2014 will give HCD sufficient time to complete the settlement agreement.

**Staff Recommendation: Adopt Governor's May Revision Proposal**

## ISSUE 2: COMMUNITY DEVELOPMENT BLOCK GRANT

The Governor's Budget included a shift of $1.1 million in State Operations to the Local Assistance federal budget authority and a reduction of 10 positions for the Community Development Block Grant program (CDBG).

### PRIOR SUBCOMMITTEE ACTION

This request was denied without prejudice at the Subcommittee's January 31, 2011, hearing, to allow time for the impacts of these proposed changes to be fully analyzed and to determine if there were other approaches that could be developed that would have less programmatic impact on recipient communities.

### BACKGROUND

Since 2007, the Department of Housing and Community Development budget switched the $1.1 million General Fund contribution to pay for administrative positions to federal funds. The federal government has since raised an issue with using federal funds, above the 3 percent allowed in the CDBG grant.

The Department must now correct the federally allowable administrative costs in order to comply with federal grant requirements. This change will result in a 30 percent decrease ($1.1 million) in funds available for program administration, which translates to 10 positions. Given the State's economic crisis, the Department is seeking a reduction in workload instead of reverting back to general fund contributions to pay for these positions.

### DEPARTMENT SOLUTION

In response to concerns raised at the Subcommittee's January 31, 2011, hearing, HCD worked with its CDBG Advisory Committee, comprised of a combination of CDBG jurisdictions, consultants, and non-profit organizations, to develop and finalize a set of new policies to ensure the broadest possible eligibility for local governments and the continued effective operation of this valuable federal resource, as follows:

- **Super Notification of Funding Availability (NOFA)** – This would be one combined NOFA to be released in January each year.

- **50% Rule** – Jurisdictions with open contracts must expend 50% of their funds before being eligible for additional funding. This would encourage jurisdictions to spend the funds and increase the State's expenditure rate with HUD. This would also increase the number of jurisdictions that are funded.

- **Funding based on Demand** – The amount of funds eligible for an activity would be determined by demand or regulatory minimum requirements.

- **Increased Maximums** – Increases the maximum funding requests to $2 million from $1 million, also increases the maximums on the activities. The biggest increase would be for the Public Improvement projects from $800,000 to $1.5 million. In roundtables and committee meetings, a common theme was that, jurisdictions wanted the ability to fund public improvement projects and that the current maximum was too low.

- **Only three activities can be applied for in an application** – A jurisdiction may be awarded one, two, three, or none depending on each activities demand.

The Advisory Committee is scheduling to meet again in June to finalize recommendations (it is anticipate the process is coming to a close in September). While there is agreement on the broad concepts, there is detail work that will be necessary to ensure all the potential consequences of each change have been considered.

**STAFF COMMENT**

The shift in funds is necessary due to federal requirements. The concerns of how it will be implemented and its impact on recipient communities have been addressed in the criteria submitted by HCD. Other sources of funding for the reduction of 10 positions were never found but HCD's plans to address a strategy to reduce the workload.

**Staff Recommendation: Approve Governor's January Proposal**

## ISSUE 3: REDUCING STATE GOVERNMENT

The March Budget package assumes $250 million in state savings from efficiency and other reductions across state government, but was not specific regarding how that savings would be achieved. The Governor's May Revision includes some concrete proposals that are intended to achieve the savings assumed in March.

There are four such proposals that impact HCD:

1. Eliminate Child Care Monitoring Support- A decrease of $10,000 General Fund in 2011-12 in the Department of Housing and Community Development (HCD) because these programs funds have been eliminated.

2. Eliminate Preservation Technical Assistance- A decrease of $35,000 General Fund 2011-12 for HCD, which would eliminate funding to provide assistance in the prevention of subsidized housing converting to market rent upon the expiration of the subsidy period.

3. Eliminate Redevelopment Housing Funds Oversight- A decrease of $123,000 General Fund and 1.4 personnel years in 2011-12 for HCD, which would eliminate funding for oversight of redevelopment agency low-and moderate-income housing funds and an annual report on housing funds and activities. This is consistent with the budget proposal to eliminate redevelopment agencies.

4. Reduce Housing Policy Funding- A decrease of $1.3 million General Fund and 8.5 personnel years in 2011-12 in the Division of Housing Policy Development in HCD.

## STAFF COMMENT

Very little information on these four proposals was provided with the May Revision, making it difficult to assess the impact of these proposals on state housing policy.

The reduction of the housing policy fund appears to be approximately 40 percent of the staff and budget for that program. The objective of this program is to help ensure an adequate supply of affordable housing to all income groups through formulation of housing policy, technical assistance, and oversight for local housing plans, direct assistance to private and public housing providers, administration of planning and incentive grant programs and information sharing. The Subcommittee may wish to explore how such a large cut will impact the ability of the Department to continue to provide oversight and technical assistance.

The elimination of all redevelopment housing fund oversight positions appears premature, as it appears the state and local agencies would still need this expertise for most or all of 2011-12 to help oversee the disposition of the low-mod housing funds, consistent with the proposal to end Redevelopment Agencies.

Staff is working to identify non-General Fund alternatives to continue funding all or part of the activities identified above.

**Staff Recommendation: Hold Open**

## 0510 STATE AND CONSUMER SERVICES AGENCY

### ISSUE 1: ELIMINATE OFFICE OF INSURANCE ADVISOR

**Governor's May Revision.** The Governor's May Revision proposes the elimination of the Office of Insurance Advisor (OIA) within the State and Consumer Services Agency, as a part of the proposal to reduce State Government by eliminating 43 Boards, Commissions, Task Forces, and Offices. The elimination of the OIA would result in a decrease of $250,000 in reimbursements and 4 positions in 2011-12, and $500,000 ongoing for the Department of Insurance.

**Background.** The OIA was established in 1991 in order to provide the Governor's Office with independent policy advice on insurance matters, following removal of the Department of Insurance from the administration and the creation of an elected Insurance Commissioner pursuant to Proposition 103.

The Office of the Insurance Advisor tracks, monitors, analyzes and makes policy recommendations on pending legislation affecting various lines of insurance coverage, including: annuities, automobile, bonds, commercial, disability, earthquake, flood, health, homeowners, life, long-term care, and workers' compensation.

The Director typically meets throughout the year with consumer groups, insurance industry representatives, Legislators, legislative staff and other stakeholders to obtain information on pending legislation. The OIA also works with the Department of Insurance to promote policies that protect consumers while promoting a competitive marketplace for insurance customers throughout California.

**LAO Recommendation.** Adopt elimination for the Office of Insurance Advisor.

**Staff Recommendation: Adopt May Revision Proposal.**

## ISSUE 2: ELIMINATE OFFICE OF PRIVACY PROTECTION

**Governor's May Revision.** The Governor's May Revision proposes the elimination of the Office of Privacy Protection (OPP) within the State and Consumer Services Agency, as a part of the proposal to reduce State Government by eliminating 43 Boards, Commissions, Task Forces, and Offices. The elimination of the OPP would result in a decrease of $250,000 General Fund and 7 positions in 2011-12, and $490,000 ongoing.

**Background.** The purpose of the OPP as provided in Government Code § 11549.5, is to "protect the privacy of individuals' personal information in a manner consistent with the California Constitution by identifying consumer problems in the privacy area and facilitating the development of fair information practices." The Office's mission is to be a resource and advocate on privacy issues.

**Impact.** The OPP is tasked with the following activities:

- Information and assistance to consumers who contact the Office on a broad and evolving range of privacy issues;
- Educational workshops and materials for consumers;
- Privacy practice guidance for businesses and other organizations that collect and manage personal information;
- Educational seminars and presentations for business and government organizations;
- Training and materials for law enforcement on identity theft;
- Training and materials on privacy practices for state employees; and,
- Advocacy on consumer privacy interests in policy making at the state and national level.

The elimination would leave consumers to look elsewhere for privacy assistance and education.

No other state agency provides these same services. California has two other state agencies that have consumer protection functions –the Department of Consumer Affairs and the Attorney General –but their funding sources and/or mandate would seem to preclude them from addressing the range of consumer privacy issues and providing the same level of service. For example, the Department of Consumer Affairs has broad consumer protection and education authority, but their funding relies on Special Funds generated by occupational licensure, which arguably sets its priorities. The Attorney

General's (AG) takes action on privacy crimes. The AG has Public Inquiry Unit that is tasked with a law enforcement perspective, rather than a consumer education and assistance approach.

**LAO Recommendation.** Adopt the elimination of the Office of Privacy Protection.

**STAFF COMMENT**

The OPP helps an average of 5,000 Californians each year through their toll-free phone line, and reaches more than 2,000 consumers a year through meetings and workshops on identity theft and other privacy topics. Most notably, in a pilot with the Los Angeles County Department of Children and Family Services, the OPP and L.A. Department of Consumer Affairs checked and cleared the credit records of 2,100 foster youth. The program is planned to be expanded in 2011 to cover all other 57 counties.

**Staff Recommendation: Refer to Policy Committee Process; do not adopt May Revision Proposal.**

## 0520 SECRETARY OF BUSINESS, TRANSPORTATION, AND HOUSING

### ISSUE 1: DECREASE STATE MATCHING FUND FOR TOURISM OFFICE

**Governor's May Revision.** The Governor's May Revision proposes a decrease of $734,000 General Fund in 2011-12 to the Tourism Office.

**Background.** The California Office of Tourism works closely with the California Travel and Tourism Commission (CTTC) (a 501 c (6) non-profit organization) with the mission to develop and maintain marketing programs, in partnership with the state's travel industry, to promote the State of California as a premier travel destination.

The CTTC is funded primarily through assessments to businesses in the travel and tourism industry (Accommodations, Restaurant and Retail, Attractions, Transportation and Travel Industry, Passenger Car Rental Industry). These assessments are self-imposed and are renewed every six years, with the next renewal coming in 2013. In addition to the assessment fees, the CTTC has also received $934,000 from the State General Fund to fund some of the Commission's marketing activities.

### STAFF COMMENT

The May Revision proposal will eliminate $734,000 General Fund, but maintain funding support for the Executive Director, which allows the State to maintain an investment in the program, while the tourism industry supports the marketing of California tourism through $50 million in industry self-assessed fees.

Implementation of this proposal means that there will be $734,000 less available for marketing purposes to promote California.

**Staff Recommendation: Adopt May Revision Proposal.**

## 0845 DEPARTMENT OF INSURANCE

### ISSUE 1: ADDITIONAL PPACA POSITIONS

**Governor's May Revision.** The Governor's May Revision proposes an increase of $748,000 in Special Fund expenditure authority, to fund existing positions to implement the federal Patient Protection and Affordable Care Act (PPACA) in 2011-12 and ongoing.

**Previous Subcommittee Actions.** As a part of the Governor's January 10th Budget Proposals, the Subcommittee took actions related to the Patient Protection and Affordable Care Act (PPACA) and this request, on January 31, 2011.

Specifically, the Subcommittee approved:

1. $1.2 million from the Insurance Fund in 2011-12, $1 million in 2012-13, and $100,000 on-going to address new workload associated with SB 1163. Senate Bill 1163 amended laws regulating health care service plans and health insurers in order to ensure that both the Department of Managed Health Care (DMHC) and the Department of Insurance (DI) have the authority to review rate fillings for all markets. This bill aligned California with the changes made by the federal Patient Protection and Affordable Care Act (PPACA).

2. $642,000 from the Insurance Fund in 2011-12 and $602,000 in 2012-13 to fund 6 Staff Counsel positions on a two-year limited term basis to support the additional rate fillings and new cancellation and non-renewal appeal process specified in AB 2470 (De La Torre), Chapter 658, Statutes of 2010. These changes are in-line with changes proposed by the Patient Protection and Affordable Care Act (PPACA).

3. $107,000 from the Insurance Fund in 2011-12, and $100,000 in 2012-13 to fund 1 Staff Counsel positions on a two-year limited term basis to support the additional policy form review activities required as a result of the implementation of SB 900 and AB 1602, which establish the American Health Benefit Exchange (required by PPACA) as an independent public entity, and provides the California Health Benefits Exchange with operational authority.

4. $8 million in special fund expenditure authority from the Insurance Fund in FY 2011-12 and $7 million in FY 2012-13 on-going to fund 54.0 positions to meet increasing workload and statutory mandates that experienced several backlogs since the $17.4 million line-item veto reduction under Governor Schwarzenegger.

**May Revision Request.** This request is for 8 positions, whose workload is associated with providing expertise and consultation regarding legal and implementation issues to various CDI units, legal consultation regarding proposed legislation, and implementation of new legislation, policy monitoring, analysis, and recommendations regarding current and future impact of health reform. Additional workload will involve coordination of current and future implementation activities with the Legislature, the Governor's Administration, the U.S. Department of Health and Human Services, and the National Association of Insurance Commissioners (NAIC), as well as mandated reporting requirements.

Positions requested are as follows:

| Positions | Classification | TOTAL |
|---|---|---|
| 1.0 | Associate Health Program Advisor | 78,000 |
| 2.0 | Health Program Specialist I | 173,000 |
| 1.0 | Health Program Specialist II | 96,000 |
| 4.0 | Staff Counsel | 401,000 |
| | **TOTAL** | **748,000** |

**LAO Recommendation.** Reject May Revision Proposal.

**STAFF COMMENT**

According to the Department, funding will allow the Department to participate in National Association of Insurance Commissioners activity, which includes PPACA regulation and definition adoption, coordination of implementation of PPACA and the California Health Benefits Exchange, and compliance with various reporting requirements of the Legislature and federal Health and Human Services Agency.

The function of the eight positions being requested is different from previous actions, however, post Subcommittee approval of the 54 positions, the Legislative Analyst Office was able to complete a workload analysis. The analysis found that of the 54 positions approved, 17 positions were unjustified. Therefore, this workload can be absorbed within the previously approved 54 positions.

Should the Subcommittee consider approval of the positions, a 2 year limited-term status is recommended to be consistent with positions previously approved by the Subcommittee for federal health care reform.

**Staff Recommendation: Reject additional expenditure authority, but direct the Department to absorb this workload within the previously approved 54 positions.**

## 0911 CITIZENS REDISTRICTING COMMISSION

### ISSUE 1: CITIZENS REDISTRICTING COMMISSION CONTINUING SUPPORT

**Governor's May Revision.** The Governor's May Revision requests a $400,000 General Fund augmentation to provide the Citizen's Redistricting Commission additional resources to complete the required redistricting maps by the Constitutional deadline of August 15, 2011. It also request provisional language be added to this item to allow the Commission access of up to $1.5 million "for litigation support activities."

**Background.** The Proposition 11, the Voters FIRST Act, was approved by the voters on the November 4, 2008 General Election Ballot. Proposition 11 changed the redistricting process by establishing a 14-member Citizens Redistricting Commission (Commission) to draw the new district boundaries for the State Assembly, State Senate, and Board of Equalization beginning with the 2010 Census. Proposition 11 specifies that a minimum of $3 million in funding be provided, or the amount appropriated for the previous redistricting plus CPI, whichever is greater.

Per the requirements of Proposition 11, the 2009-10 Budget appropriated $3 million General Fund for Proposition 11 implementation costs over a three year period for the Commission, Auditor, and SOS to implement the initiative. Additionally, in the 2010-11 Budget the Legislature approved $1 million General Fund through provisional language, which required JLBC notification. The Commission will have expended the entirety of the funds by the end of the current year.

**Merits of the Request.** Proposition 20 was passed during the November 2010 General Election. This proposition required changes and expansions to the original 2008 amendments to the California Constitution. The 2010 amendments added California's 53 Congressional Districts to the Commissions redistricting responsibilities and expanded the criteria for the district mapping process. The amendment also shortened the completion date for all four maps and supporting reports to no later than August 15, 2011, thereby reducing the time allowed for the Commission's mandatory submission of the four maps to the Secretary of State by one month. These amendments were made with no additional appropriation of funds to support the expanded redistricting requirements. Additionally, as the Commission moves toward completion of the maps, they expect an influx in public record requests, which must be accurate and are anticipated to be prelude to litigation.

### STAFF COMMENT

Additional funding authority would fund eight positions and allow the Commission to meet the August 15th deadline; in light of the added workload. The provisional $1.5 million in litigation support will require JLBC notification and the Commission must demonstrate that the funding is needed.

**Staff Recommendation: Adopt May Revision Letter.**

## 1705 FAIR EMPLOYMENT AND HOUSING COMMISSION

### ISSUE 1: ELIMINATION OF THE COMMISSION

**Governor's May Revision.** The Governor's May Revision proposes the elimination of the Fair Employment and Housing Commission (FEHC), to save $334,000 General Fund and 1.4 PY's in 2011-12.

**Background.** The Fair Employment and Housing Commission promotes and enforces the civil rights of the people of California to be free from unlawful discrimination in employment, housing, and public accommodations, and to be free from hate violence and threats of violence, pursuant to the Fair Employment and Housing Act.

The Fair Employment and Housing Commission is a quasi-judicial administrative agency, which enforces California civil rights laws regarding discrimination in employment, housing, and public accommodations; pregnancy disability leave; family and medical leave; and hate violence. The Commission engages in five primary activities: administrative adjudication; mediations, regulations; legislation; and public information and training.

The FEHC, located in San Francisco, meets and conducts administrative law hearings throughout the state.

**2010 FEHC Case Adjudication Statistics**

| | |
|---|---|
| 59 | Accusations Filed by DFEH |
| 55 | Hearings calendared by FEHC for 3 day evidentiary hearings |
| 14/29 | Evidentiary hearings (number of hearings/number of hearing days) |
| 29 | Case Management Conferences |
| 39 | Early Mediation Evaluation Conferences |
| 6 | Settlement Conferences/Mediations with Commissioners & staff |

**Proposal.** The FEHC is the only stand-alone commission that handles appeals of employment and housing discrimination cases. Through trailer bill language, the Governor’s May Revision transfers the Commission’s two administrative law judge positions and their administrative functions to the DFEH. The Administration proposes consultation with stakeholders and evaluation options to phase out by January 1, 2012. Adjudication of employment and housing discrimination cases will be appealed to the Director of the Department of Fair Employment and Housing effectively eliminating the stand-alone Commission and consolidating workload.

## STAFF COMMENT

The Fair Employment and Housing Commission has unique functions, primarily its adjudication function, which would not transfer well to the Department of Fair Employment and Housing (DFEH), who is the prosecutor and the party accusing the respondent of discrimination.

**Staff Recommendation: Refer to Policy Committee Process; do not adopt May Revision Proposal.**

## 8820 COMMISSION ON THE STATUS OF WOMEN

### ISSUE 1: ELIMINATION OF THE COMMISSION

**Governor's May Revision.** The Governor's May Revision proposes the complete elimination of the Commission on the Status of Women through trailer bill language, to save $233,000 General Fund and 2.1 personnel years in 2011-12.

**Background.** The Commission was originally established by an advisory body in 1965 later to be signed into law by former Governor Reagan in 1971. To date, approximately 35 other States still have a Commission dedicated to the Status of Women.

The Commission on the Status of Women, a nonpartisan state agency, works in a culturally inclusive manner to promote equality and justice for all women and girls by advocating on their behalf with the Governor, the Legislature and other public policymakers. By educating the public in the areas of economic equity including educational equity, access to health care, violence against women, human trafficking and other key issue areas identified by the Commission as significantly affecting women and girls.

California's Government Code established the Commission on the Status of Women to:

1. Study:
    - women's educational and employment problems, needs, and opportunities;
    - state laws impacting women civil and political rights;
    - how roles of women are shaped by societal assumptions; and,
    - laws, practices or conditions that may limit opportunities available to women.
2. Be an information center on the statues of women and their needs
3. Encourage women's organizations and other groups to institute activities to meet women's educational, employment and related needs
4. Enable it to conduct activities, develop recommendations, and provide consultative advice on:
    - Preventing or minimizing problems brought about by the changing roles and responsibilities of women; and,
    - Developing programs to encourage and enable women to be fully contributing members of society
5. Complete reports of their work to the Legislature

**STAFF COMMENT**

The current budget crisis and the economy have arguably had a disparate impact on women and their families. The California Commission on the Status of Women was proposed for elimination, by Legislative Analyst Office in the 2010-11 Budget. The Legislature disagreed with the proposal then. Today, the Governor's May Revision proposes elimination of the Commission.

The Commission is the only agency that looks at all issues impacting women and it is uniquely tasked with advocating on the behalf of women and girls in California. They represent all women and girls through their outreach via public hearings; screening, analysis and post assessment of legislation; partnership with community organizations including advisory committees and coalitions; and print and online resources.

Although California and its laws have changed, covert externalities still affect women and girls in California. The mission of the Commission has remained the same, but their advocacy has transitioned. The Commission has transitioned to issues of unemployment among women, female veteran's issues, sexual assault, and human trafficking. The Commission is dedicated to working with other State Agencies to address issues of concern. One such partnership is with the Department of Veteran's Affairs, where the Department and the Commission will hold a Women Veteran's Conference in October 2011.

The need and value of the Commission are difficult to overlook. However, the Subcommittee should consider innovative ways to help the Commission become self-sustainable in the future. Perhaps by encouraging/allowing the Commission to pursue philanthropic pursuits, that can be deposited into the General Fund or a Special Fund.

**Staff Recommendation: Refer to Policy Committee Process; do not adopt May Revision Proposal.**