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CALIFORNIA STATE SENATE
COMMITTEE ON BUDGET AND FISCAL REVIEW

STATE CAPITOL – ROOM 5019
SACRAMENTO, CA 95814



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Agenda

August 16, 2018

8:00 a.m. to 9:00 a.m. - State Capitol Room 4203

And Upon Adjournment of Session – Room 113

<u>BILL</u>	<u>AUTHOR</u>	<u>SUBJECT</u>
A.B. 1828	Committee on Budget	Budget Act of 2018
A.B. 1829	Committee on Budget	Mortgage Settlement
A.B. 1833	Committee on Budget	Public Employment
A.B. 1835	Committee on Budget	Workplace Conduct
A.B. 1840	Committee on Budget	Education
A.B. 1841	Committee on Budget	Resources
A.B. 1842	Committee on Budget	Human Services
A.B. 1843	Committee on Budget	General Government
A.B. 1844	Committee on Budget	Taxation
A.B. 1845	Committee on Budget	Public Safety
A.B. 1846	Committee on Budget	Elections

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No:	AB 1828	Hearing Date:	August 16, 2018
Author:	Committee on Budget		
Version:	August 15, 2018 Amended		
Urgency:	Yes	Fiscal:	Yes
Consultant:	Scott Ogus		

Subject: Budget Act of 2018

Summary: This bill makes changes and corrections to provisional language and appropriations in the Budget Act of 2018.

Proposed Law: Specifically, this bill:

- 1) Increases the Trial Court Trust Fund appropriation by \$15 million and adds provisional language to support start-up activities associated with pre-trial reform.
- 2) Adds provisional language related to small business technical support funding administered by the Governor's Office of Business Development. Specifically, the language specifies how the \$23 million included in the Budget Act of 2018 for small business technical support is to be allocated and makes the \$17 million for the California Small Business Development Center Program available for encumbrance or expenditure until June 31, 2021.
- 3) Makes a technical correction to transfer funds to the Coastal Trust Fund instead of the Coastal Conservancy Fund.
- 4) Extends the period of availability for contract exemptions for precision medicine contracts in the budget of the Office of Planning and Research.
- 5) Appropriates up to \$20,000 to reimburse the County of San Diego for costs of upgrading county election systems.
- 6) Adds an additional food bank as a potential recipient of funds allocated for the purpose of providing diapers to low-income families and specifies that up to 25 percent of a grant award may be provided in advance to the named organizations at the discretion of the department.
- 7) Appropriates \$700,000 to the Department of Justice to begin implementation of AB 375 (Chau), Chapter 55, Statutes of 2018—the California Consumer Privacy Act of 2018.
- 8) Corrects a drafting error by changing the date the Department of Justice must report to the Legislature the number of untested sexual assault evidence kits from July 1, 2019 to July 1, 2020.

- 9) Provides a technical fix by changing the date of availability of funds for processing of sexual assault evidence kits and changing the reporting date to the Legislature.
- 10) Allows for the appropriation of additional funds for the Department of Motor Vehicles (DMV) to alleviate or prevent wait times at field offices. Requires the amount of additional appropriation to be justified based on the level of resources necessary to reduce field office wait times by a specified amount. Requires the DMV to provide monthly updates to the Legislature on field office wait times and to report on efforts to improve business processes and impact of the requested augmentation on the Motor Vehicle Account fund condition.
- 11) Includes \$4 million for the California Conservation Corps for active transportation projects, with provisional language making the funds available for encumbrance and liquidation until June 30, 2024.
- 12) Requires the State Coastal Conservancy to distribute a portion of allocated Greenhouse Gas Reduction funds to the California Coastal Commission and San Francisco Bay Conservation and Development Commission.
- 13) Authorizes a transfer of \$15 million from the Air Quality Improvement Fund to the Alternative and Renewable Fuel and Vehicle Technology Fund.
- 14) Extends the liquidation and encumbrance period for the California Nutrition Incentive Matching Grant Program allocation.
- 15) Increases the Trial Court Trust Fund appropriation by \$15 million and adds provisional language to support start-up activities associated with pre-trial reform.
- 16) Appropriates \$23.5 million for various drinking water-related projects, including water tank installation, well replacement, septic replacement, and the Safe Drinking Water for Schools Grant Program.
- 17) Reappropriates \$15 million in Item 3760-101-0001 in the Budget Act of 2017 to enhance public access and other public purposes concerning the West Coyote Hills area in Orange County.
- 18) Reduces by \$10 million General Fund the resources for the Department of Social Services related to elimination of the Social Security Income Cash-Out policy.
- 19) Provides \$10 million to the Office of Emergency Services for grants related to human trafficking services.
- 20) Makes various changes to education programs to reflect updated estimates of federal fund award amounts.

- 21) Clarifies that funds available for quality activities under the Federal Child Care and Development Block Grant are available for expenditure through the 2019-20 fiscal year.
- 22) Specifies that \$100,000 in Title IV federal state operations funds are available for workload related to Title IV grant administration.
- 23) Makes various other minor technical changes and corrections related to the Budget Act of 2018.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1829 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 14, 2018 As amended
Urgency: No **Fiscal:** Yes
Consultant: James Hacker

Subject: National Mortgage Settlement

Summary: This bill makes statutory changes related to the National Mortgage Special Deposit Fund.

Background: In 2012, the federal government and 49 states sued, and eventually settled with, the five largest mortgage servicers in the country related to their actions leading up to and during the 2008 financial crisis. The resulting National Mortgage Settlement (NMS) resulted in comprehensive new mortgage servicing standards, provided more than \$20 billion in financial relief for homeowners damaged by the mortgage crisis, and provided about \$2.5 billion directly to states for a variety of uses, including “to compensate the states for costs resulting from the alleged unlawful conduct of the [bank defendants].” California’s share of this \$2.5 billion was roughly \$410 million. Under the terms of the settlement, each state’s Attorney General would designate the uses of the funds. The California Attorney General’s office designated allowable uses of the received funds.

SB 1006 (Committee on Budget and Fiscal Review), Chapter 32, Statutes of 2012, created the National Mortgage Settlement Deposit Fund to receive the state’s share of the 2012 NMS. SB 1006 also authorized the use of NMS funds to offset relevant General Fund expenditures in the 2011-12, 2012-13, and 2013-14 fiscal years. The state subsequently transferred funds from the Special Deposit Fund to the General Fund to offset the cost of programs that support public protection, consumer fraud enforcement and litigation, and housing related programs during the years in question.

In 2014, several plaintiffs sued the state for the return of these transferred funds, alleging that the majority of the transfer of funds was unlawful under both state and federal law. Both the trial court and appeals court found in favor of the plaintiffs, and directed the state to return roughly \$331 million to the special deposit fund.

Proposed Law: This bill provides legislative confirmation that the allocations of funds from the special deposit fund to the General Fund in 2011-12, 2012-13, and 2013-14 were consistent with the direction given to the Director of Finance in SB 1006. It would also confirm and ratify that, because those allocations were displayed in the Governor’s proposed budget for the years in question, and left unchanged in the budget acts adopted in those years, the Legislature was aware of, and approved, the allocations and expenditures in question.

This bill also appropriates \$25,000 from the General Fund to the Department of Finance for legal fees and costs.

Fiscal Effect: None.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1833 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 14, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: Anita Lee

Subject: Public Employment

Summary: This bill makes changes and technical corrections associated with the public employment provisions adopted as part of the Budget Act of 2018.

Background: This bill makes amendments to statutory provisions that are necessary to implement the 2018 Budget Act. Specifically, this bill makes the following changes:

Proposed Law:

- 1) Requires the Department of General Services (DGS) to periodically review policies and procedures in the State Contracting Manual regarding reasonable accommodation purchases for state employees.

Additionally, this bill requires the DGS, in consultation with the Department of Human Resources and the Department of Rehabilitation, to post on its website a report on purchases of services, goods, information technology and telecommunication related to reasonable accommodations for state employees.

- 2) Clarifies that it is the policy of the state that qualified individuals with a disability shall be employed in state service or employment supported by public funds, under the same terms and conditions as the nondisabled pursuant to applicable state and federal law. This bill also modifies an existing Department of Human Resources reporting requirement, by requiring the department to include an annual evaluation of reasonable accommodation policies and practices.
- 3) Clarifies that the Kern County Hospital Authority and its employees shall not participate in the Kern County Employees Retirement Association if the board determines that their participation could jeopardize the association's tax-qualified status under federal law.
- 4) Appropriates \$1.37 million in federal funds to expand and support apprenticeship activity.

Fiscal Effect: This bill appropriates \$1.37 million in federal funds.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair

2017 - 2018 Regular

Bill No: AB 1835 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 13, 2018 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Joe Stephenshaw and Renita Polk

Subject: Legislative Counsel: workplace conduct services.

Summary: AB 1835 is the Legislative workplace conduct trailer bill.

Background: The Joint Rules Committee Subcommittee on Sexual Harassment Prevention and Response identified as the primary goal in the Legislature's reform efforts, in response to the "Me Too" movement, the transformation of the Legislature's workplace culture to promote respect, civility, and diversity.

Proposed Law: This bill:

- 1) Requires the Legislative Counsel to establish a unit within the Legislative Counsel Bureau, consisting of a Director, one or more investigators, and additional staff as appropriate, to provide advice and investigation services to the Legislature related to workplace misconduct.
 - a. The unit shall accept and investigate reports and complaints of workplace misconduct, as authorized by the Legislature.
 - b. Grants the Legislative Counsel career executive assignments, at his or her request, to fill the positions of director and investigator.
- 2) Requires the Legislative Counsel to retain by contract a rotating panel of experts to review investigations undertaken by the unit and make recommendations to the Legislature regarding matters under investigation.
- 3) Appropriates \$1,506,000 General Fund to the Legislative Counsel in order to carry-out the requirements of this bill.

Fiscal Effect: Appropriates \$1,506,000 General Fund.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No:	AB 1840	Hearing Date:	August 16, 2018
Author:	Committee on Budget		
Version:	August 14, 2018 Amended		
Urgency:	Yes	Fiscal:	Yes
Consultant:	Elisa Wynne and Anita Lee		

Subject: Education finance

Summary: This bill provides for clarifying changes and technical corrections associated with changes to education programs adopted as part of the Budget Act of 2018.

Background: The 2018 Budget Act included various changes to education programs; AB 1840 makes amendments and corrections to statutory provisions that are necessary to implement the 2018 Budget Act.

Proposed Law: Specifically, this bill makes the following changes:

K-12 Education:

- 1) Provides \$21.146 million in one-time Proposition 98 funds for the California School Finance Authority to support the Charter School Facility Grant Program. This appropriation was excluded in error from the prior education trailer bill (AB 1808 [Committee on Budget], Chapter 32, Statutes of 2018).
- 2) Provides an extension for the installation of operational child safety alert systems by local education agencies (LEAs) in school buses and other specified vehicles that transport children until on or before March 1, 2019. Under current law LEAs are required to install these devices in qualifying vehicles by the beginning of the 2018-19 school year. Due to a variety of factors, many LEAs have not been able to install the devices in time to meet the current deadline. Provides for an additional six month extension for LEAs with enrollment under 4,000. Includes Legislative intent that vehicles that transport children with exceptional needs receive priority for installation of devices and to provide no additional extensions.
- 3) Includes the following changes related to school districts in financial distress:
 - a. For the 2018-19 fiscal year, requires Oakland Unified School District to develop short and long term financial plans and update school district facilities plans aligned with their plans for fiscal solvency. Requires Inglewood Unified School District to meet the requirements for qualified or positive certification and complete comprehensive operational reviews of the district, as specified.
 - b. For the 2019-20 fiscal year, the Governor's January Budget will include an appropriation for the Oakland Unified School District and Inglewood

Unified School District, if the specified requirements for 2018-19 are met. Specifies that funds will be allocated to the Oakland Unified School District and Inglewood Unified School District, if specified benchmarks are met each year, in the following amounts:

- i. For the 2019-20 fiscal year, up to 75 percent of the school district's projected operating deficit.
 - ii. For the 2020-21 fiscal year, up to 50 percent of the school district's projected operating deficit.
 - iii. For the 2021-22 fiscal year, up to 25 percent of the school district's projected operating deficit.
- c. Requires the Fiscal Crisis Management Assistance Team (FCMAT), with concurrence of the appropriate county office of education, to certify to Legislature and the Department of Finance (DOF) that specified benchmarks have been met prior to allocating the state funding. Also requires FCMAT to report to the Legislature and DOF on the district's progress in meeting the benchmarks included in the prior year Budget Act by March 1st of each year, until March 1, 2021.
- d. Assigns authority to appoint a trustee or state administrator for school districts in fiscal distress to the school district's county superintendent, the State Superintendent of Public Instruction (SPI), and the president of the State Board of Education (SBE). Currently, the SPI has sole authority to appoint a trustee or administrator. Requires that the trustee or administrator be selected from a list vetted by or recommended by FCMAT.
- e. Requires the appointed administrators to serve under the supervision and direction of the county superintendent, in concurrence with the SPI and the president of the SBE, as specified. Currently, the SPI assumes the authority and rights of the governing board of the school district, and supervises and directs the administrator.
- f. Automatically qualifies school districts in state receivership for state intervention within the K-12 school accountability system, to allow school districts in receivership to access technical assistance for student performance and district management from the California Collaborative for Educational Excellence (CCEE). If the CCEE provides assistance to the school district, requires the CCEE to conduct a systemic review of the school district and coordinate additional assistance under the statewide system of support.
- g. Requires FCMAT to do an annual progress review of: (1) the fiscal recovery of school districts in state receivership, and (2) the effectiveness of county office of education oversight. Additionally, requires annual audits of school districts that receive emergency apportionments to be performed by entities on the State Controller-approved list of auditing firms.

- 4) Includes the following changes in order to increase fiscal transparency within the Local Control Accountability Plan (LCAP) and Annual Update:
- a. Requires the SBE to adopt a new template for the LCAP and Annual Update on or before January 31, 2020.
 - b. Requires the SBE to replace the existing expenditure tables within the "Goals, Actions and Services" section of the LCAP with a new summary table of planned expenditures for all actions for each goal included in the LCAP, broken out by fund source. Also requires the total overall expenditures to be broken out by personnel and non-personnel expenditures.
 - c. Requires the SBE to include a summary table within the "Demonstration of Increased or Improved Services" section of the LCAP that includes a summary of the actions and planned expenditures to increase or improve services for English learners, low-income and foster youth students. Requires the planned expenditures to be grouped by expenditures provided to students on a districtwide, countywide or charterwide basis, expenditures targeted to one or more student subgroups, and expenditures targeted at specific school sites.
 - d. Requires the SBE to specify in the instructions of the LCAP and Annual Update template that local educational agencies are encouraged to prioritize their goals, actions and related expenditures within the eight state priorities. Specifies that the instructions shall require local educational agencies to consider performance on the California School Dashboard in determining how to prioritize goals, actions and expenditures within the LCAP and Annual Update. Requires local educational agencies to continue to report and track progress on the metrics for all state priorities.
 - e. Requires the SBE to specify in the instructions of the LCAP and Annual Update template that local educational agencies that have numerically significant English learner students must report progress on metrics and include actions and services for English learners in the LCAP and Annual Update.
 - f. Requires the LCAP and Annual Update template adopted by SBE to use language that is understandable and accessible to parents.
 - g. Requires school districts and county offices of education to post prominently on the homepage of their website their approved LCAP.
 - h. Consolidates all the LCAP and Annual Update template requirements into a single section in statute.
 - i. Updates relevant sections related to charter schools to clarify that charter schools must also use the updated template adopted by the SBE.

- j. Provides a limited exemption for the SBE to make the necessary changes to the LCAP and Annual Update template required in this bill without going through the Administrative Procedures Act requirements.
 - k. Updates references to outdated assessments included in the metrics for the state priorities included in the Local Control Funding Formula.
 - l. Provides \$200,000 in one-time Proposition 98 funds for the San Joaquin Office of Education to support updating the Local Control and Accountability Plan Electronic Template system to reflect changes in this bill.
- 5) Extends the liquidation period of one-time funding provided for the Local Solutions Grant Program from June 30, 2026 to June 30, 2028. Extends the annual report period from three to five years after the receipt of a grant to align with the allowable use of grant funding for service scholarships, signing bonuses, and student debt obligations provided the teacher works at the school for 4 years in a 5 year period.
- 6) Removes a reference to the Local Educational Agency Medi-Cal Billing Option program from statute that requires the allocation of one-time discretionary funds to school districts in 2018-19 to be reduced by claim disallowances owed by school districts. This change reflects federal audit findings that no longer require school districts to repay these claims. Statute continues to specify that one-time discretionary funds allocated to school districts in 2018-19 will be reduced by claim disallowances owed under school-based Medi-Cal administrative activities.
- 7) Clarifies that the extension, through 2018-19, of a hold harmless for the impact of average daily attendance reductions associated with the 2017 wildfires is limited to school districts where no less than 5 percent of residences within the school district or school district facilities were destroyed.
- 8) Amends the Classified School Employees Summer Bridge Program to support implementation of the program, including: 1) removing a reference to 2020 (instead the program will be operational while funding is available), 2) specifying that LEAs shall deposit paycheck withholdings into a separate account, and 3) specifying that the definition of a classified school employee is a full-time equivalent of classified staff as reported in the California Basic Educational Data System.
- 9) Removes references to student assessment statutes that are related to the administration of the California English Language Development Test (CELDT) and removes required reporting that is no longer relevant. The CELDT has been replaced with a new assessment, the English Language Proficiency Assessment for California (ELPAC).
- 10) Specifies that the definition of a classified school employee is a full-time equivalent of classified staff, as reported in the California Basic Educational Data System, for purposes of the Classified School Employee Professional Development Block Grant Program.

- 11) Corrects the appropriation for the After School Kids Code Grant Program to reflect the correct fiscal year.

Higher Education:

- 1) Clarifies the membership of the Community College Success Funding Formula Oversight Committee, and designates 12 members, with 4 members to be appointed by the Senate and Assembly each, and 4 members appointed by the Governor.

The committee shall review and make recommendations by January 1, 2020 on the inclusion in the supplemental allocation of the funding formula of first generation college students, the definition of low-income to reflect students in regions with high cost of living, and incoming students level of academic proficiency. The committee shall also review and make recommendations by June 30, 2021 on non-credit instruction and instructional service agreements, and how districts' allocations could be adjusted if a recession occurs. The committee will sunset on January 1, 2022.

- 2) Makes clarifications to the Community College Student Equity and Achievement Program. The bill authorizes the Board of Governors to require districts to provide a local match for the program, as well as require the Chancellor's Office to provide guidance regarding eligible expenditures and activities, as well as integrated planning to help eliminate achievement gaps. Additionally, the bill requires colleges to annually report to the chancellor's office by January 1 on how funding was spent in the prior year, and an assessment of progress in boosting student achievement. Additionally, the bill requires the Chancellor's Office to submit a system wide report by April 1, annually, to summarize the district reports.
- 3) Authorizes the University of California to provide services, benefits and other forms of assistance to further all students' education success.
- 4) Adjusts the appropriation for professional development for classified employees, with \$45 million Proposition 98 General Fund for the department of education, and \$5 million Proposition 98 General Fund one-time for the community college Chancellor's Office. The Chancellor's Office shall provide community college districts with guidance regarding expenditure of funds.

Early Education and Child Care:

- 1) Clarifies that increases in reimbursement rate adjustment factors for child care and state preschool programs, specifically for infants, toddlers, children with exceptional needs, and severely disabled children, will be effective as of January 1, 2019.

Fiscal Effect: This bill appropriates funding for K-14 education programs, totaling approximately \$21.3 million.

Support: None on file.

Opposed: None on file.

Comments: >

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1841 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 14, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: Joanne Roy

Subject: Resources

Summary: This bill makes technical and clarifying changes related to natural resources and environmental protection consistent with implementation of the Budget Act of 2018.

Proposed Law:

- 1) Extends the deadline for submitting a petition or resolution to the Los Angeles Local Agency Formation Commission for establishment of the Lower Los Angeles River Recreation and Park District from January 1, 2019, to January 1, 2021.
- 2) Clarifies that a reclaimer for empty plastic beverage containers includes a reclaimer that uses the services of a third party to process the empty plastic beverage containers into a form useable for the manufacture of new plastic products.
- 3) Provides that "existing facility" also includes the North City Project, which is phase one of the Pure Water San Diego Program, for purposes of calculating urban water use.
- 4) Clarifies that the State Water Resources Control Board may provide for an advance to a local requesting reimbursement for specified costs in an amount not to exceed 75 percent of the estimated state share and that the agreement shall provide that no advance shall be made until the applicant has incurred costs consistent with criteria outlined in paragraph (1) of subdivision (a) of Section 12986, averaging one thousand dollars (\$1,000) per mile of levee.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1842 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 13, 2018 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Theresa Pena

Subject: Human services

Summary: This bill makes technical, clarifying changes to health and human services programs consistent with the Budget Act of 2018.

Proposed Law: The bill makes technical and clarifying statutory revisions affecting health and human services programs that are necessary to implement the Budget Act of 2018. Specifically, this bill does the following:

- 1) **CalWORKs Home Visiting.** Makes a correction regarding who is responsible for providing training.
- 2) **In-Home Supportive Services (IHSS).** Makes a technical clarification regarding privacy protections that apply to IHSS providers.
- 3) **Child Welfare: Home-Based Family Care Rate.** Fixes various cross references related to the Home-Based Family Care Rate.
- 4) Makes various other minor technical and clarifying amendments.

Fiscal Effect: This bill appropriates ten thousand dollars from the Federal Trust Fund to the Department of Social Services for administering Tribal State Title IV E Agreements. The funding related to the other changes in this bill is contained in the Budget Act of 2018.

Support: None on file.

Opposition: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1843 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 14, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: James Hacker

Subject: State Government

Summary: This bill makes statutory changes necessary to implement the Budget Act of 2018. Specifically, this bill makes changes that impact the Department of Housing and Urban Development, the Department of Transportation, the Government Operations Agency, and local transit agencies.

Proposed Law: This bill makes the following statutory changes:

- 1) **Department of Housing and Urban Development.** Authorizes the Department to charge ongoing monitoring fees to recipients of loans from the Housing for a Healthy California program, and to deposit the collected fees into the Housing Rehabilitation Loan Fund. These fees would support long-term monitoring activities to ensure projects funded through the Housing for a Healthy California program remain consistent with the requirements of that program.
- 2) **Department of Transportation.** Allows an entity awarding a public works contract under an emergency no-bid procedure to notify the Department of Industrial Relations of the award within 30 days of the award of the contract, or by the last day on which a contractor is employed under the contract, whichever is sooner. Requires a worker employed by an unregistered contractor, as defined, on a public works project affected by a work stoppage order issued by the Labor Commissioner to be paid by their employer at the prevailing wage rate for any time lost due to a work stoppage for up to ten days, consistent with other sections of the Labor Code.
- 3) **Government Operations Agency.** Exempts contracts related to the 2020 Census from certain contracting requirements to expedite contract execution.
- 4) **Local Transit Agencies.** Extends, from January 1, 2019 to January 1, 2021, the deadline for repayment of state cash flow loans made to local transit agencies in 2013 to backfill delayed federal grant funds.

Fiscal Effect: This bill would continuously appropriate monitoring fee revenue deposited into the Housing Rehabilitation Loan Fund for long-term monitoring activities.

Support: None on file.

Opposition: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1844 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 13, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: Joe Stephenshaw

Subject: Taxes: credits: qualified motion pictures

Summary: AB 1844 is the California Film Tax Credit clean-up trailer bill.

Background: SB 871 (Committee on Budget and Fiscal Review), Chapter 54, Statutes of 2018, enacted the Film and TV Tax Credit 3.0, primarily by establishing, similar to existing credits, credits under the Personal Income Tax Law and the Corporation Tax Law beginning on or after January 1, 2020, to be allocated by the California Film Commission (CFC) between July 1, 2020 and July 1, 2025.

Proposed Law: This bill:

- 1) Changes the date by which the Legislative Analyst's Office must prepare reports related to the effectiveness and administration of the film tax credits from on or before July 1, 2019 to on or before January 1, 2023.
- 2) Defines "previously allocated credits not certified" and clarifies that the CFC may allocate such credits on or after July 1, 2025, as specified.
- 3) Appropriates \$5,000 General Fund to the CFC for work necessary to develop rules associated with the film tax credits, as specified.

Fiscal Effect: Appropriates \$5,000 General Fund.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1845 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 13, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: Christopher Francis

Subject: Public Safety

Summary: The Legislature passed the 2018 Budget Act on June 15, 2018. This bill provides specified adjustments and clarifications to various public-safety related budget items, budget bill language, and additional appropriations.

Background and Proposed Law: The bill makes the following changes to implement the 2018 budget:

- 1) Clarifies existing statute related to the public disclosure of papers, correspondence, records, documents or any information by the California State Auditor.
- 2) Clarifies that the two trial court judges added in the 2018 Budget Act for Riverside County account for two of the 50 judgeships currently authorized in statute AB 159 (Jones), Chapter 722, Statutes of 2007.
- 3) Clarifies that the Emergency Medical Response (EMR) certification process for parolee participants in the CAL FIRE training program is non-provisional. Also clarifies existing statute related to the promulgation of emergency regulations by the Emergency Medical Services Authority so that EMR certification is granted to CAL FIRE training participants.
- 4) Makes other technical funding adjustments and clarifications of budget bill language.

Fiscal Effect: The funding related to the changes in this bill is contained in the 2018 Budget Act.

Support: None on File.

Opposed: None on File.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Holly Mitchell, Chair
2017 - 2018 Regular

Bill No: AB 1846 **Hearing Date:** August 16, 2018
Author: Committee on Budget
Version: August 14, 2018 As amended
Urgency: No **Fiscal:** No
Consultant: Renita Polk

Subject: Elections

Summary: AB 1846 makes statutory changes and provides appropriations relating to the budget bill on the subject of elections.

Background: Senate Bill 866 (Committee on Budget and Fiscal Review), Chapter 53, Statutes of 2018, enacted various statutory changes relating to elections in San Diego County. Existing law, established by SB 866, requires that an amendment to the charter of the County of San Diego require that candidates for county office be elected at the general election and be made by a proposal submitted to the governing body or by a petition signed by ten percent of the qualified electors of the county. This ten percent is computed upon the total number of votes cast in the county for all candidates for Governor in the last general election at which a Governor was elected, as specified. Existing law, also established by SB 866, applies these provisions retroactively and requires the elections official to examine or reexamine whether the number of valid signatures filed by the proponents is sufficient to qualify a measure for the ballot pursuant to these provisions, to the extent that petition signatures for an initiative measure proposing an amendment to the charter of the County of San Diego have been submitted prior to the effective date of this act.

Proposed Law: AB 1846 makes the following statutory changes:

- 1) Repeals and reenacts the provisions in existing law above.
- 2) Makes legislative findings and declarations as to the necessity of a special statute for the County of San Diego.
- 3) Appropriates \$1 million Federal Trust Fund to the Secretary of State to secure and improve county election systems.

Fiscal Effect: Appropriates \$1 million Federal Trust Fund to the Secretary of State.

Support: None on file.

Opposed: None on file.

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