
SENATE COMMITTEE ON GOVERNMENTAL ORGANIZATION

Senator Bill Dodd

Chair

2021 - 2022 Regular

Bill No:	SB 17	Hearing Date:	3/23/2021
Author:	Pan, et al.		
Version:	2/25/2021 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Brian Duke		

SUBJECT: Office of Racial Equity

DIGEST: This bill would establish in state government an Office of Racial Equity (ORE), as an independent public entity not affiliated with an agency or department, as specified; and, tasks the ORE with, among other things, coordinating, analyzing, developing, evaluating, and recommending strategies for advancing racial equity across state agencies, departments, and the Office of the Governor, as specified.

ANALYSIS:

Existing law:

- 1) Establishes an Office of Health Equity (OHE), in the State Department of Public Health (DPH), for purposes of aligning state resources, decision-making, and programs to accomplish certain goals related to health equity and protecting vulnerable communities.
- 2) Requires OHE to develop department-wide plans to close the gaps in health status and access to care among the state's diverse racial and ethnic communities, women, persons with disabilities, and the lesbian, gay, bisexual, transgender, queer, and questioning communities, as specified.
- 3) Executive Order S-04-10 established the Health in All Policies (HiAP) Task Force (HiAP) charged with identifying priority programs, policies, and strategies to improve the health of Californians, as specified.
- 4) Requires OHE to work with the HiAP Task Force to assist state agencies and departments in developing policies, systems, programs, and environmental change strategies that have population health impacts by, among other things,

prioritizing building cross-sectoral partnerships within and across departments and agencies to change policies and practices to advance health equity.

- 5) Establishes the Task Force to Study and Develop Reparation Proposals for African Americans, with a Special Consideration for African Americans Who are Descendants of Persons Enslaved in the United States to, among other things, identify, compile, and synthesize the relevant corpus of evidentiary documentation of the institution of slavery that existed within the United States and the Colonies, as specified.
- 6) Establishes the Strategic Growth Council (SGC) in state government, to among other things, identify and review activities and funding programs of state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner, as specified.

This bill:

- 1) Establishes in state government the ORE, as an independent public entity not affiliated with an agency or department, and that is governed by a Racial Equity Advisory and Accountability Council (REAAC).
- 2) Provides that the REAAC shall consist of an unspecified number of members who are residents of California, and appointed by the Governor, Senate Committee on Rules, and the Speaker of the Assembly. Members of the REAAC shall be appointed for a term of two years, and shall have demonstrated, acknowledged expertise and meet criteria in at least one of various specified areas.
- 3) Requires appointing authorities to consider the expertise of the other members of the REAAC and make appointments that reflect the cultural, ethnic, racial, linguistic, sexual orientation, gender, immigration status, socioeconomic, and geographical diversity of the state so that the REAAC reflects the communities of California. Members of the REAAC shall serve without compensation, but they may be reimbursed for actual expenses incurred in connection with their duties.
- 4) Requires the REAAC to hire an executive director to organize, administer, and manage the operations of the ORE, as specified; requires the REAAC to meet at least quarterly to fulfill its duties and to receive updates from the executive

director, as specified; and, authorizes the REAAC to require specific updates from the executive director as deemed necessary.

- 5) Requires the ORE to coordinate, analyze, develop, evaluate, and recommend strategies for advancing racial equity across state agencies, departments, and the office of the Governor, as specified.
- 6) Requires the ORE, in consultation with state agencies and departments, to develop a statewide Racial Equity Framework to be submitted to the Governor and the Legislature by an unspecified date, and updated at least every three years. Requires that the Racial Equity Framework, among other things, set forth a vision for racial equity in the state, as specified.
- 7) Requires the ORE, in consultation with state agencies and departments, to establish methodologies, a system of measurement, and data needs for assessing how state statutes, regulations, and practices contribute to, uphold, or exacerbate racial disparities, as specified.
- 8) Requires each state agency to develop and implement a Racial Equity Action Plan, in alignment with the Racial Equity Framework, and to integrate that plan into the agency's strategic plan; and, requires each state agency to submit its Racial Equity Action Plan to the ORE for review and approval by an unspecified date.
- 9) Requires a Racial Equity Action Plan to, among other things, to describe how a state agency will address racial inequities within the agency and in programs of the agency and its departments, as specified.
- 10) Requires each state agency to prepare an annual report on the agency's progress towards goals set forth in the Racial Equity Action Plan and submit the report to the ORE, the Governor, and the Legislature by an unspecified date.
- 11) Requires the ORE to prepare an annual report that evaluates and reports on progress in meeting statewide goals and policies established under the Framework, as specified.
- 12) Defines "institutional racism" to mean the ways in which policies and practices perpetuated by institutions, including governments and private groups, produce different outcomes for different racial groups in a manner that benefits the dominate group.

- 13) Defines “racial equity” to mean the condition achieved when race can no longer be used to predict life outcomes and conditions for all groups are improved, as specified.
- 14) Defines “structural racism” to mean the macro-level systems, social forces, institutions, ideologies, and processes that interact with one another to generate and reinforce inequities among racial and ethnic groups.
- 15) Specifies that the provisions of the bill are severable. If any provision of the bill or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- 16) Includes legislative findings and declarations, among other things, relating to the history of race relations in the United States, and California’s record of creating, upholding, or exacerbating racial inequities and violence against Black, Indigenous, and people of color (BIPOC), among others, through the state’s laws, policies, and actions, as specified; and, declares racism as a public health crisis.

Background

Purpose of the bill. According to the author’s office, “in the United States, Black, Indigenous, and people of color (BIPOC) have experienced centuries of inequality and systemic, institutionalized racism, beginning when European colonizers stripped tens of millions of indigenous and native people of their identity, culture, language, lifestyle, families, work, history, and traditions. Even as it represents one of the most successful projects of modern democracy, the United States embedded racial inequality, violence, and trauma into its founding document.”

Further, the author’s office states that, “institutional and systemic racism continues to permeate our society in insidious ways and extensive research has identified racism as a public health crisis leading to significant health disparities, including infant and maternal mortality, chronic diseases prevalence, life expectancy and now COVID mortality. The state needs an independent body to hold us accountable by examining California’s policies and budget with the goal of achieving racial equity and ending systemic racism. SB 17 will establish the Office of Racial Equity and the Racial Equity Advisory and Accountability Council, in order to address systemic and institutional racism that has resulted in poorer health outcomes and disparities in BIPOC and ensure the state play a more active role in dismantling racial inequities, particularly those exacerbated by the pandemic.”

Historical perspective. As the legislative findings and declarations included in this bill point out, the United States and California have a long history of creating, upholding, or exacerbating racial inequalities and violence against BIPOC communities, and government policies and institutional practices have marginalized, disenfranchised, stripped resources and power from, targeted, and otherwise brought violence on BIPOC Californians.

Specifically, this bill identifies a number of historical events in California including, among other events: the Spanish missionaries seizure of land from Native Californians and forced conversions to Christianity and European traditions; the 1850 Act for the Government and Protection of Indians, which allowed White Californians to forcibly remove Native Californians from their lands and into indentured servitude; an 1852 Fugitive Slave Law, which declared that any Black person who came to California as an enslaved person prior to California becoming a state was to be considered the legal property of the slaveholder; the 1913 Alien Land Law which restricted “aliens ineligible from citizenship,” including Chinese, Japanese, and Korean immigrants, from owning, leasing, or cultivating land; Executive Order No. 9066, under which the United States forced more than 120,000 people of Japanese ancestry into 10 concentration camps, including two in California; California’s vast highway system that was often built to break up BIPOC communities within cities, forcing the destruction of homes and displacing residents; and, the growing and overrepresented population of prison and jail incarcerated BIPOC Californians.

Additionally, this bill points out disparities manifested in, though not limited to, some of the following, ongoing, harmful social practices and disparate outcomes: the persistent legacy of discrimination in housing; the concentration of polluting facilities and concentration of poverty in BIPOC communities; the lack of access to quality health care in BIPOC communities; Black transwomen suffering from employment, housing, and educational discrimination and police brutality that result in the most acute health disparities; and, that the COVID-19 pandemic, the ensuing economic crisis, and recent protests against institutional violence committed against Black communities again highlight the racial injustices and health inequities that have long threatened BIPOC communities.

Presidential Order On Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. On January 20, 2021, President Biden signed an executive order on Advancing Racial Equity and Support for Underserved Communities Through the Federal Government. The executive order states, in part, that:

“Equal opportunity is the bedrock of American democracy, and our diversity is one of our country’s greatest strengths. But for too many, the American Dream remains out of reach. Entrenched disparities in our laws and public policies, and in our public and private institutions, have often denied that equal opportunity to individuals and communities. Our country faces converging economic, health, and climate crises that have exposed and exacerbated inequities, while a historic movement for justice has highlighted the unbearable human costs of systemic racism. Our Nation deserves an ambitious whole-of-government equity agenda that matches the scale of the opportunities and challenges that we face.”

California Office of Health Equity. Existing law establishes the OHE, within DPH, in order to provide a leadership role in reducing health and mental health disparities experienced by vulnerable communities in California. AB 1467 (Committee on Budget, Chapter 23, Statutes of 2012) among other things, established the OHE as a consolidation of functions of the Office of Women’s Health at the Department of Health Care Services (DHCS); the Office of Multicultural Services at the Department of Mental Health (DMH); and, the Office of Multicultural Health, the HiAP Task Force, and the Healthy Places Team at DPH.

Specifically, OHE is required to assist in aligning state resources, decision-making, and programs to, among other things, achieve the highest level of health and mental health for all people, with special attention focused on those who have experienced socioeconomic disadvantage and historical injustice; work collaboratively with the HiAP Task Force to promote work to prevent injury and illness through improved social and environmental factors that promote health and mental health; advise and assist other state departments in their mission to increase access to, and the quality of, culturally and linguistically competent health and mental health care and services; and, improve the health status of all populations and places, with a priority on eliminating health and mental health disparities and inequities.

Health in All Places Task Force. Created in 2010 by Executive Order S-04-10, the HiAP Task Force is charged with identifying “priority programs, policies, and strategies to improve the health of Californians while advancing the goals of improving air and water quality, protecting natural resources and agricultural lands, increasing the availability of affordable housing, improving infrastructure systems, promoting public health, planning sustainable communities, and meeting the climate change goals.”

Current HiAP Task Force members include 22 departments, agencies, and offices

from across State Government, including the Health and Human Services Agency, Environmental Protection Agency (Cal EPA), and the Office of the Attorney General. Task Force members organize their work in Racial Equity Action Plans on various topics including active transportation, violence prevention, parks and community greening, healthy housing, healthy food, and health public policy including equity in government practices.

The HiAP Task Force has evolved into a standing program. It is staffed through a collaboration of the SGC, the Public Health Institute and DPH. The Program Director, Deputy Director, and two staff are associated with the Public Health Institute. An additional two staff, as well as the OHE Policy Chief are from DPH. The HiAP Program assists departments as they integrate health and equity into programs and policies that advance state priorities, including active transportation, access to parks and urban forestry, violence prevention, healthy food access, education, land use planning, and economic opportunities.

Capitol Collaborative on Race & Equity. In order to advance racial equity, the SGC works in collaboration with the Public Health Institute to support the Capitol Collaborative on Race & Equity (CCORE) – a racial equity capacity building program for California State employees. According to SGC’s internet website, “CCORE offers two cohorts for participants to receive training to learn about, plan for, and implement activities that embed racial equity approaches into institutional culture, policies, and practices. Teams of up to 16 State employees represent their affiliated state departments, agencies, and offices, participate in the curriculum, and contribute to advancing racial equity in their organization. The Learning Cohort is for State entities that do not yet have Racial Equity Action Plans and the Advanced Implementation Cohort supports state entities in implementing advanced actions and system changes for racial equity.”

How have other jurisdictions worked to embed equity? In August 2019, the California Research Bureau (CRB) released their results of a literature review on racial equity and organizational change in the context of the racial equity capacity building initiative that the HiAP Task Force and the SGC are facilitating in partnership with the Government Alliance on Race and Equity. The CRB identified a number of examples of other states working to embed equity, including Vermont, which had recently established a Racial Equity Advisory Panel, and appointed its first executive director for racial equity. Additionally, Michigan has created a Racial Equity Toolkit to provide guidance to government, organizations, and communities to guide a longer-term capacity building effort that includes an interagency workgroup, a council for government on equity and inclusion, a truth and racial healing transformation initiative, and equity and inclusion training.

Here in California, San Francisco in 2019 created the San Francisco Office of Racial Equity (SFORE). SFORE has authority to enact a citywide Racial Equity Framework, to direct the Departments of the City and County of San Francisco to develop and implement mandated Racial Equity Action Plans, and to analyze the disparate impacts of pending ordinances, as well as various other policy and reporting functions. In addition, San Francisco City departments are required to designate employees as racial equity leaders acting as a liaison to SFORE, and requires the San Francisco Department of Human Resources to assess and prioritize racial equity with the city's workforce. Lastly, SFORE centers racial equity within the city's budget process, and can make recommendations on funding of departments should certain racial equity metrics not be met.

Examples of state agencies that have developed and implemented their own Racial Equity Action Plans include the Department of Transportation (Caltrans). The Caltrans Race & Equity Action Plan was developed over the course of two years, with collaboration and input from the Caltrans Alliance on Race and Equity Solutions team and its executive sponsors. The plan is intended to be a two-year plan, with priorities and strategies maintaining alignment with the administration's and departments goals. The plan identifies three primary areas of focus: Communication - including training and resources delivered to staff; Pilot Projects - to begin implementing equity solutions in areas where data can be collected and tracked over time; and, Policy - beginning to institutionalize changes by creating an equity policy and an internal structure to support the work. Additionally, the Government Operations Agency (GovOps) has submitted a budget change proposal (BCP) for fiscal year 2021-22 requesting trailer bill language to allow GovOps to address social, economic, and racial disparities within those operations.

Office of Racial Equity and the Racial Equity Advisory and Accountability Council. This bill establishes in state government the ORE, as an independent public entity not affiliated with an agency or department, governed by the REAAC. Members of the REAAC will be appointed by the Governor, the Senate Committee on Rules, and the Speaker of the Assembly for a term of two years. Appointees to the REAAC are required to have demonstrated and acknowledged expertise and meet criteria in at least one of the following areas: analyzing, reporting on, or proposing policies in specified areas including racial equity; developing or using budget equity assessment tools; providing technical assistance for government nonprofit organizations in developing and implementing strategies for racial equity; or be a member of, or represent an equity-focused organization who works with, an impacted community whose lived experience will support the work of the ORE, including but not limited to, members of the disability community and LGBTQ community.

This bill tasks the ORE with coordinating, analyzing, developing, evaluating, and recommending strategies for advancing racial equity across state agencies, departments, and the office of the Governor. To that end, the ORE is required to, at a minimum, develop the Racial Equity Framework to be submitted to the Governor and Legislature to set forth a vision for racial equity in the state by providing guidelines for inclusive policies and practices that reduce racial inequities, promote racial equity, address individual, institutional, and structural racism, and establish goals and strategies to advance racial equity and address structural racism and racial inequities.

Additionally, this bill requires the ORE to, among other things and in consultation with state agencies and departments, establish methodologies, a system of measurement, and data needs for assessing how state statutes, regulations, and practices contribute to, uphold, or exacerbate racial disparities, as specified; coordinate research activities of state government directed at advancing racial equity; engage stakeholders and community members to address the root causes of racial inequities and ensure that the Racial Equity Framework, Racial Equity Action Plans, and any other racial equity proposals repair historical harm done by government-sanctioned actions; and promote the ongoing, equitable delivery of government benefits and opportunities, as specified.

Finally, this bill requires each state agency to develop and implement a Racial Equity Action Plan, in alignment with the Racial Equity Framework developed by the ORE, and integrate that plan into the agency's strategic plan. Each agency's Racial Equity Action Plan shall describe how a state agency will address racial inequities within the agency, as specified. Additionally, each agency shall prepare an annual report on the agency's progress towards goals set forth in their Racial Equity Action Plan and submit that report to the ORE, the Governor, and the Legislature. This bill requires the ORE to prepare an annual report that evaluates and reports on progress in meeting statewide goals and policies established under the Racial Equity Framework. That report shall be submitted to the Governor, the Legislature, and posted publicly on the website of the office.

Policy considerations. Over the last couple of years, , most bills creating new government entities have been amended in this committee to include a five-year sunset in order to allow the committee the opportunity to ensure that any new government entity being created are fulfilling their duties and responsibilities. As such, the committee might wish to amend the bill to include a five-year sunset to ensure that the ORE is fulfilling its duties and responsibilities as stated by this bill.

Suggested amendments. As currently drafted, there are various unspecified numbers and dates, as such, the author may wish to consider amending the bill in the following ways:

- a. The Racial Equity Advisory and Accountability Council shall consist of 9 members who are residents of California. Of the members of the council, 3 members shall be appointed by the Governor, 3 shall be appointed by the Senate Committee on Rules, and 3 shall be appointed by the Speaker of the Assembly.
- b. In consultation with state agencies and departments, develop a statewide Racial Equity Framework that shall be submitted to the Governor and the Legislature no later than January 1, 2023.
- c. The office shall submit a racial equity impact analysis of the proposed budget to the Governor and the Legislature annually no later than 60 days after the release of the Governor's proposed budget in January.
- d. By July 1, 2023, each state agency shall submit its Racial Equity Action Plan to the office for review and approval.
- e. Each agency shall submit its annual report to the office, the Governor, and the Legislature annually no later than February 15 for the preceding calendar year. The Governor shall consider the annual reports in connection with the budget process.

Prior/Related Legislation

AB 3121 (Weber, Chapter 319, Statutes of 2020) established an eight-member task force to study the issue of reparations for African Americans, propose ways to educate the California public about its findings, make recommendations on the forms that reparations might take, and submit a report of its findings to the Legislature, as specified.

AB 656 (E. Garcia, 2019) would have created the Office of Healthy and Safe Communities within DPH, which would have developed, implemented, and monitored a statewide violence prevention strategy. (Held on the Senate Appropriations Committee Suspense File)

AB 887 (Kalra, 2019) would have codified the role of state surgeon general and placed the OHE, currently located within DPH, under the surgeon general's office. (Held on the Assembly Appropriations Committee Suspense File)

AB 2434 (Bloom, 2018) would have codified the existing HiAP Program within the SGC and in collaboration with DPH, for the purposes of incorporating health,

equity, and sustainability considerations into decision-making across sectors and policy areas.

AB 1467 (Committee on Budget, Chapter 23, Statutes of 2012) among other things, established the OHE as a consolidation of functions of the Office of Women's Health at the Department of Health Care Services, the Office of Multicultural Services at the Department of Mental Health, the Office of Multicultural Health at DPG, the HiAP Task Force at DPH, and the Healthy Places Team at DPH.

SB 732 (Steinberg, Chapter 729, Statutes of 2008) established the SGC, and required the SGC to take certain actions with regard to coordinating specified programs of member state agencies, and required the SGC to manage and award grants and loans to support the planning and development of sustainable communities.

FISCAL EFFECT: Appropriation: No Fiscal Com.: Yes Local: No

SUPPORT:

Advancement Project California (Co-source)
 California State Council of SEIU (C-source)
 NextGen Policy (Co-source)
 Public Health Advocates (Co-source)
 The Greenlining Institute (C-source)
 APLA Health
 California Alliance of Child and Family Services
 California Association of Public Hospitals and Health Systems
 California Black Women's Health Project
 California Calls
 California Dental Association
 California Hepatitis Alliance
 California League of Conservation Voters
 California Pan-Ethnic Health Network
 California ReLeaf
 California State Treasurer, Fiona Ma, CPA
 CaliforniaHealth+ Advocates
 Californians for Safety and Justice
 Climate Action Campaign
 Community Clinic Association of Los Angeles County
 County Health Executives Association of California
 County Welfare Directors Association of California

Courage California
Desert AIDS Project
Drug Policy Alliance
Empowering Pacific Islander Communities
End Hep C SF
End the Epidemics
Friends Committee on Legislation of California
L.A. Care Health Plan
Little Manila
Los Angeles LGBT Center
NARAL Pro-Choice California
National Union of Healthcare Workers
PolicyLink
Rising Sun Center for Opportunity
San Francisco AIDS Foundation
San Francisco Hep B Free – Bay Area
Southeast Asia Resource Action Center

OPPOSITION:

None on file

ARGUMENTS IN SUPPORT: The cosponsors of the bill write in support that, “SB 17 declares racism to be a public health crisis and establishes the Office of Racial Equity (ORE) and a corresponding Racial Equity Advisory and Accountability Council. Under the provisions outlined in this bill, these entities will identify and address systemic racism embedded in government policies and programs that have resulted in poorer health outcomes and disparities in Black, Indigenous, and People of Color (BIPOC) populations. Although California has made clear progress to advance racial and social equity in its government programs and policies, a statewide Office of Racial Equity will institutionalize, centralize, and create uniformity in the state’s approach in addressing racial inequities and implement constructive and meaningful solutions.”

DUAL-REFERRAL: Senate Governmental Organization Committee & Senate Judiciary Committee