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THIRD READING

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Bill No: SB 17  
Author: Pan (D), et al.  
Amended: 5/20/21  
Vote: 21

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SENATE GOVERNMENTAL ORG. COMMITTEE: 9-3, 3/23/21  
AYES: Dodd, Allen, Becker, Bradford, Glazer, Hueso, Kamlager, Portantino,  
Rubio  
NOES: Nielsen, Jones, Melendez  
NO VOTE RECORDED: Archuleta, Borgeas, Wilk

SENATE JUDICIARY COMMITTEE: 8-1, 4/13/21  
AYES: Umberg, Caballero, Durazo, Gonzalez, Hertzberg, Laird, Wieckowski,  
Wiener  
NOES: Jones  
NO VOTE RECORDED: Borgeas, Stern

SENATE APPROPRIATIONS COMMITTEE: 5-2, 5/20/21  
AYES: Portantino, Bradford, Kamlager, Laird, Wieckowski  
NOES: Bates, Jones

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**SUBJECT:** Office of Racial Equity

**SOURCES:** Advancement Project California  
California State Council of SEIU  
Community Coalition  
NextGenPolicy  
Public Health Advocates  
The Greenlining Institute

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**DIGEST:** This bill establishes the Office of Racial Equity (ORE) as an independent public entity to coordinate, analyze, develop, evaluate, and recommend strategies for advancing racial equity across state agencies,

departments, and the Governor's office, as specified; and requires each state agency to develop and implement a Racial Equity Plan, 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) Establishes, via Executive Order S-04-10, the Health in All Policies (HiAP) Task Force charged with identifying priority programs, policies, and strategies to improve the health of Californians, as specified.

This bill:

- 1) Establishes in state government the ORE, as an independent public entity not affiliated with an agency or department, governed by a Racial Equity Advisory and Accountability Council (REAAC).
- 2) Provides that the REAAC shall consist of nine members who are residents of California appointed by the Governor, Senate Committee on Rules, and the Speaker of the Assembly, as specified.
- 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, as specified.
- 4) Requires the ORE to coordinate, analyze, develop, evaluate, and recommend strategies and policies for advancing racial equity across state agencies, departments, and the office of the Governor, as specified.
- 5) Requires the ORE, in consultation with state agencies, departments, and public stakeholders, as appropriate, to develop a statewide Racial Equity Framework (Framework) to be submitted to the Governor and the Legislature as specified, and assessed and updated at least every three years. Requires that the Framework, among other things, set forth a vision for racial equity and equal dignity in the state, as specified.

- 6) 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.
- 7) Authorizes, expressly, the ORE to inform the Legislature of its position on any legislative proposal pending before the Legislature and to urge the introduction of legislative proposals, and to state its position and viewpoint on issues developed in the performance of its duties and responsibilities, as specified.
- 8) Requires each state agency to develop and implement a Racial Equity Action Plan (REAP), in alignment with the Framework, to: integrate that plan into the agency's strategic plan; submit its REAP to the ORE for review, feedback, and approval, as specified; and to prepare an annual report on the agency's progress, as specified.
- 9) Requires the ORE to prepare an annual report that evaluates and reports on progress in, and any obstacles to, meeting statewide goals and policies established under the Framework, as specified.
- 10) 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.
- 11) Provides that the above provisions will remain in effect only until January 1, 2029 and as of that date be repealed.

## **Comments**

*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. 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 disease 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 plays 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 and previous policy committee analyses more thoroughly describe, 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.

The consequences of systematically enslaving, stealing from, discriminating against, and incarcerating people of color should be no surprise: people of color are worse off economically than white people. The racial wealth gap is stark: Black families' median and mean wealth is less than 15 percent of white families' wealth, and Latinos' median and mean wealth are less than 20 percent of white families' wealth. Unfortunately, because the Federal Reserve grouped persons of all other races and ethnic groups, including multiracial persons, into a fourth “other” category, data specific to each group are not available; overall, however, the Federal Reserve reports that this “other” group's mean family wealth is 40 percent of white mean family wealth and their median family wealth is 49 percent of median white family wealth. Other sources show that Indigenous persons, and persons of Asian descent from some South and East Asian countries, have strikingly high rates of poverty.

Racism is also a public health issue. People of color suffer negative health consequences from racist events as well as from the structural inequities built into our society over hundreds of years. Direct exposure to racism has been linked to negative health outcomes such as depression, anxiety, and cardiovascular problems. The COVID-19 pandemic is a stark example of how a history of racism continues to harm people of color. The historical factors that combined to cause today's racial wealth and health gaps also made communities of color especially susceptible to severe cases of COVID-19. One study found that people living in

formerly redlined neighborhoods are more susceptible to COVID-19 complications. Yet due to centuries of treatment at the hands of a predominately white medical establishment, people of color have initially expressed more vaccine hesitancy than white people.

*Office of Racial Equity.* This bill establishes the ORE as an independent state agency and tasks it with coordinating, analyzing, developing, evaluating, and recommending strategies and policies for advancing racial equity across state agencies, departments, and the office of the Governor. To that end, the ORE is required to develop the Framework to be submitted to the Governor and Legislature, no later than January 1, 2023. The Framework shall set forth a vision for racial equity in the state. The ORE will also submit an annual racial equity impact analysis of the proposed budget to the Governor and the Legislature to ensure that the state is moving forward to deliberately and meaningfully eliminate racism from our existing policies and keep racism out of new policies moving forward.

This bill also requires each state agency to develop and implement a REAP, in alignment with the Framework, and, when approved, integrate that plan into the agency's strategic plan. Each agency's REAP 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 REAP and submit that report to the ORE, the Governor, and the Legislature.

### **Related/Prior Legislation**

SB 682 (Rubio, 2021) requires the California Health and Human Services Agency, in collaboration with specified agencies, departments, and other stakeholders, to develop and implement a plan that reduces racial disparities in health outcomes for children by 50% by December 31, 2030. (Pending on the Senate Floor)

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

According to the Senate Appropriations Committee, unknown ongoing annual costs ranging in the high hundreds of thousands to millions of dollars (General Fund). Costs include support staff for the Office as well start-up and ongoing operating expenses and equipment, and reimbursements for actual and necessary expenses for Racial Equity Advisory and Accountability Council members.

Indeterminate, potentially significant fiscal impact across all state agencies to develop and implement a Racial Equity Action Plan (REAP) as prescribed by the guidelines created by the Racial Equity Framework and integrate this plan into agencies' strategic plans and other operations.

**SUPPORT:** (Verified 5/20/21)

Advancement Project California (co-source)  
Community Coalition (co-source)  
NextGen Policy (co-source)  
Public Health Advocates (co-source)  
SEIU State Council (co-source)  
The Greenlining Institute (co-source)  
State Treasurer Fiona Ma  
A New Way of Life Reentry Project  
Active San Gabriel Valley  
AFSCME, AFL-CIO  
Alliance San Diego  
American Academy of Pediatrics, California  
American Association of University Women California  
APLA Health  
Asian Americans Advancing Justice-California  
Asian Pacific Environmental Network  
Asian Pacific Policy & Planning Council  
Azul  
Bay Area Rapid Transit District  
Black Leadership Council  
Board of Supervisors of the City and County of San Francisco  
Brotherhood Crusade  
Brown Girl Surf  
CA4Health  
California Academy of Child & Adolescent Psychiatry  
California Access Coalition  
California Alliance of Child and Family Services  
California Association of Food Banks  
California Association of Public Hospitals and Health Systems  
California Black Women's Health Project  
California Calls  
California Dental Association  
California Faculty Association  
California Health+ Advocates

California Hepatitis Alliance  
California Immigrant Policy Center  
California Latinas for Reproductive Justice  
California League of Conservation Voters  
California Nurses Association/National Nurses United  
California Pan-Ethnic Health Network  
California ReLeaf  
California State PTA  
California Teachers Association  
Californians for Safety and Justice  
City of Long Beach  
Climate Action Campaign  
Community Clinic Association of Los Angeles County  
County Behavioral Health Directors Association of California  
County Health Executives Association of California  
County of San Mateo  
County of San Diego  
County Welfare Directors Association of California  
Courage California  
Desert AIDS Project  
Dignity Health  
Disability Rights California  
Dolores Huerta Foundation  
Empowering Pacific Islander Communities  
End Hep C SF  
End the Epidemics  
Environmental Defense Fund  
First Five  
Fresno Building Health Communities  
Friends Committee on Legislation of California  
Health Access California  
Housing California  
Human Impact Partners  
Indivisible CA: StateStrong  
L.A. Health Care Plan  
Latino Coalition for a Healthy California  
Latino Outdoors  
Little Manila Rising  
Los Angeles County Board of Supervisors  
Los Angeles LGBT Center

Los Angeles Neighborhood Land Trust  
March For Our Lives-California  
Mayor of Los Angeles Eric Garcetti  
Mid-City Community Advocacy Network  
NARAL Pro-Choice California  
National Alliance on Mental Illness – California  
National Association of Social Workers  
National Union of Healthcare Workers, California Chapter  
Outdoor Outreach  
Pacoima Beautiful  
Pogo Park  
Prevention Institute  
PolicyLink  
Public Health Alliance of Southern California  
Public Health Institute  
Rising Sun Center for Opportunity  
San Francisco AIDS Foundation  
San Francisco Bay Area Rapid Transit  
San Francisco Hep B Free – Bay Area  
San Francisco-Marin Food Bank  
Silicon Valley Leadership Group  
Southeast Asia Resource Action Center  
Tree People  
Union of Concerned Scientists  
United Ways of California  
Voices for Progress  
West Coast Children’s Clinic  
Western Center on Law & Poverty  
Youth Outside

**OPPOSITION:** (Verified 5/20/21)

None received

**ARGUMENTS IN SUPPORT:** The sponsors 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.”

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