

SENATE THIRD READING

SB 189 (Committee on Budget and Fiscal Review)

As Amended June 26, 2022

Majority vote. Budget Bill Appropriations Take Effect Immediately

SUMMARY

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

Major Provisions

- 1) *Office of Community Partnerships and Strategic Communications*: Establishes the Office of Community Partnerships and Strategic Communications as a new office within the Governor's Office of Planning and Research that will conduct outreach activities.
- 2) *Excluded Employees*: Clarifies that employees at the office of the Secretary of the Government Operations at the Government Operations Agency are considered excluded employees, consistent with the agency's role in overseeing CalHR department activities.
- 3) *Chief Equity Officer*: Establishes the Chief Equity Officer at the Government Operations Agency, and specifies various duties of the officer.
- 4) *Horse Racing Board*: Authorizes the board to enter into agreements within the federal Horseracing Integrity and Safety Authority and any other entity that is responsible for administrating the Federal Horseracing Integrity and Safety Act of 2020. Additionally, authorizes the board, on behalf of the authority, to collect and remit fees assessed by the authority, as specified.
- 5) *California State Payroll System*: Requires the State Controller's Office, in consultation with the Department of Human Resources, to report to the Legislature on various project information related to the California State Payroll System.
- 6) *California Department of Technology (CDT) Services*: Requires CDT to reassess the formal rate methodology and relevant policies and procedures, as specified, for state data center services. The bill requires CDT to submit a report to the Joint Legislative Budget Committee (JLBC) by April 1, 2023 and annually until August 1, 2025.
- 7) *Middle Mile Broadband Network*: Specifies that it is the intent of the Legislature to appropriate a total of \$550 million General Fund in 2023-24 and 2024-25 to support the middle mile broadband network. Specifies that the funds shall not be available until CDT provides a report the Joint Legislative Budget committee on specified information about the network. Additionally, the bill requires annual reporting on updates, as specified for the project until January 1, 2026.
- 8) *Office of Administrative Hearings*: Specifies that proceedings at a hearing may be recorded electronically if a stenographic reporter is unavailable and upon finding of good cause by the administrative law judge.

- 9) *State Capitol Building Annex*: Amends existing law and specifies the intent of the Legislature is for the project with be cash funded, and that all work performed shall be executive and managed by the Joint Rules Committee. The bill requires the Department of General Services to provide counsel and advice to the Joint Rules Committee for this purpose.
- 10) *Regulation Copies*: Repeals the requirement for state agencies to deliver six hard copies of regulations to the Office of Administrative Law at the time of transmittal for filing a regulation or order of repeal.
- 11) *Committee on Revision*: Authorizes local governmental entities to give the Committee on Revision of the Penal Code within the California Law Revision Commission full information and reasonable assistance in any matters of research, or data within their knowledge or control.
- 12) *Office of Civil Rights*: Changes the name of the Department of Fair Employment and Housing to the Civil Rights Department under the direction of an Executive Director known as the Director of Civil Rights. Changes the Fair Employment and Housing Council to the Civil Rights Council and makes conforming changes. Specifies that the department is acting in the public interest in bringing civil actions forward.
- 13) *Office of Tax Appeals*: Requires the tax appeals panels to consist of 3 members that meet certain criteria, including the member is a person who either maintained an active membership in the State Bar of California for at least 5 years immediately preceding designation to a tax appeal panel and meets the qualifications for a state employee classification as an administrative law judge, or the member is a person employed under the state employee classification for either the Business Taxes Specialist, California Department of Tax and Fee Administration series or the Program Specialist, Franchise Tax Board series. Requires the office to adopt ethics standards, as specified, including rules governing conflicts of interest and ex parte communication, to which the members on the tax appeals panels would be required to adhere. Repeals provisions related to closed hearings at the Office of Tax Appeals.
- 14) *Assessors IT Grant Program*: Establishes a County Assessors' Grant Program to provide state funding to county assessor information technology improvement projects.
- 15) *Victims Compensation*: Increases victim compensation benefit limits for crime scene cleanup costs (\$1,000 to \$1,700), funeral/burial costs (\$7,500 to \$12,800), and relocation claims (\$2,000 to \$3,400).
- 16) *Seismic Retrofit*: Establishes the Seismic Retrofitting Program for Soft Story Multifamily Housing and its associated housing fund and subsidiary account to provide financial assistance to owners of multifamily housing for seismic retrofitting that have been determined to be at risk of collapse in earthquakes. Prioritizes financial assistance to benefit communities with high social vulnerability and communities with high concentrations of soft story multi-family housing or in areas of high seismicity.
- 17) *Gambling Control Commission Annual Licensing Fee*: Repeals the existing fee structure for application for a licensing fees at cardrooms, and authorizes the commission to adopt a fee schedule pursuant to regulation, but not to exceed \$1,200, as specified. The fees shall be limited to the reasonable regulatory expenditure of the department and commission for their

activities. The bill also includes biennial reporting requirements on the fees, description of how the fees were established and calculated, among others.

- 18) *State Workforce Demographic Data Collection*: Includes provisions stating that on or after January 1, 2024, the State Controller's Office, to the extent the State Controller's Office has completed the functionality necessary, and the Department of Human Resources (CalHR), when collecting demographic data as to the ancestry or ethnic origin of persons hired into state employment, shall establish and include new demographic categories for the collection of data pertaining to the ancestry or ethnic origin of African American employees. The collection of this data continues CalHR's duties to maintain statistical information necessary for the evaluation of equal employment opportunity and upward mobility within state civil service.
- 19) *Bagley-Keene Open Meetings Act Teleconferencing*: Authorizes state entities to hold public meetings, subject to specified notice and accessibility requirements, through teleconferencing and making public meetings accessible telephonically or otherwise electronically to the public, as specified. The bill also sunsets these provisions on July 1, 2023.
- 20) *Subvention Definitions*: Specifies that, commencing with the 2021-22 fiscal year, the state's subventions to local governments (an exclusion from appropriations subject to limitation pursuant to Article XIII B of the California Constitution) include money provided to a local agency from various specified state programs. Further specifies that such funds shall be included within the Article XIII B appropriations limit of the recipient local agency, but only up to that local agency's appropriation limit. Specifies that any portion of those funds received by the local agency that exceeds its appropriations limit shall be calculated and included within the state's appropriations limit.
- 21) *Fiscal Trigger*: Specifies programs prioritized for additional General Fund spending beginning in 2024-25 dependent on a fiscal determination being made that resources are available to support that spending in spring 2024.
- 22) *SB 241 (Umberg), Chapter 241, Statutes of 2021, Technical Fixes*: Existing law authorizes an entity that is not a shorthand reporting corporation, wherever incorporated in the United States, to engage in specified acts related to shorthand reporting if certain criteria are met. This bill makes technical changes to clarify the definition of those entities. Existing law authorizes the Court Reporters Board to set an annual registration fee not to exceed \$500. This bill requires an entity to pay an initial registration fee to the board of \$500 until January 1, 2025, and on and after January 1, 2025, a fee not to exceed \$500 or the board's cost of administering the provisions, whichever is less.

COMMENTS

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

According to the Author

Arguments in Support

None on file.

Arguments in Opposition

None on file.

FISCAL COMMENTS

As described above, this bill increases the victim compensation limits. By authorizing an increase in the amount of expenditures from a continuously appropriated fund, this bill would make an appropriations.

This bill also reduces amounts subject to the state's California Constitution Article XIII B appropriations limit by approximately \$10 billion per year commencing in 2021-22, which results in a like amount becoming subject to recipient local agencies' appropriations limits.

VOTES

SENATE FLOOR: 29-8-2

YES: Allen, Archuleta, Atkins, Becker, Bradford, Caballero, Cortese, Dodd, Durazo, Eggman, Glazer, Gonzalez, Hertzberg, Hueso, Hurtado, Laird, Leyva, McGuire, Min, Newman, Pan, Portantino, Roth, Rubio, Skinner, Stern, Umberg, Wieckowski, Wiener

NO: Bates, Dahle, Grove, Jones, Melendez, Nielsen, Ochoa Bogh, Wilk

ABS, ABST OR NV: Borgeas, Limón

UPDATED

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FN: 0003060