SENATE RULES COMMITTEE

Office of Senate Floor Analyses (916) 651-1520 Fax: (916) 327-4478

UNFINISHED BUSINESS

Bill No:SB 189Author:Committee on Budget and Fiscal ReviewAmended:6/26/22Vote:21

SENATE FLOOR: Not relevant

ASSEMBLY FLOOR: Not available

SUBJECT: State Government

SOURCE: Author

DIGEST: This bill makes necessary statutory changes to implement the general government provisions of the Budget Act of 2022.

Assembly Amendments delete the Senate version of the bill and instead add the current language.

ANALYSIS: This bill makes the following statutory changes.

- 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, manage relationships with community-based organizations and other stakeholders to assist in those outreach activities, and coordinate and oversee priority statewide communications campaigns, such as those related to COVID-19 vaccination efforts.
- 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.

- 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 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.
- 6) *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 JLBC on specified information about the network. Additionally, the bill requires annual reporting on updates, as specified for the project until January 1, 2026.
- 7) *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.
- 8) *State Capitol Building Annex.* Amends existing law and specifies that it is the intent of the Legislature that the State Capitol Building Annex project 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.
- 9) 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 multifamily housing or in areas of high seismicity.

- 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) *California Law Revision Commission*. 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) *Assessors IT Grant Program*. Establishes the County Assessor's Grant Program from July 1, 2022, to June 30, 2025 and provides for a grant program to meet the information technology needs of county assessors in administering the property tax system.
- 13) *State Controller Payroll System.* Requires the State Controller's Office (SCO), in consultation with the California Department of Human Resources (CalHR), to submit a report to each of the relevant budget subcommittees of the Legislature on the proposed California State Payroll System (CSPS) information technology (IT) project, by February 1, 2023. The reports shall include a summary of project planning, governance plans, engagement with other state agencies, business processes, risks, and other issues.
- 14) *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.
- 15) *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.

- 16) *Office of Tax Appeals*. Allows non-attorney administrative law judges to hear tax appeals, and makes conforming changes, including repealing the process for closed hearings.
- 17) *Victims Compensation Board*. 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).
- 18) Gambling Control Commission Annual Licensing Fee. Repeals the existing fee structure for application 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, as specified. The bill also includes biennial reporting requirements on the fees, description of how the fees were established and calculated, among others.
- 19) *Subvention Definition*. 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.
- 20) *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.
- 21) 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.
- 22) *Fiscal Trigger*. Specifies programs prioritized for additional General Fund spending beginning in 2024-25 are dependent on a fiscal determination being made that resources are available to support that spending in spring 2024.

23) *Technical Adjustments*. The bill also includes other clarifying, technical and conforming changes necessary to implement the provisions of the Budget Act of 2022.

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

According to the Senate Budget and Fiscal Review Committee, 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 appropriation.

This bill also reduces amounts subject to the state's 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.

SUPPORT: (Verified 6/26/22)

None received

OPPOSITION: (Verified 6/26/22)

None received

Prepared by: Anita Lee / B. & F.R. / (916) 651-4103 6/29/22 20:34:41

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