
SENATE COMMITTEE ON APPROPRIATIONS

Senator Anthony Portantino, Chair
2023 - 2024 Regular Session

AB 972 (Maienschein) - Local Assistance and Grant Program Streamlining Workgroup

Version: June 29, 2023

Urgency: No

Hearing Date: July 10, 2023

Policy Vote: GOV. & F. 8 - 0

Mandate: No

Consultant: Mark McKenzie

Bill Summary: AB 972 would require the Governor's Office of Planning and Research (OPR) to convene a specified statewide, cross-agency Local Assistance and Grant Program Streamlining Workgroup (Workgroup) by January 1, 2025 to centralize local assistance and develop a coordinated system to manage available state and federal funding, as specified. The workgroup must submit a report of findings, plans, and recommendations to the Legislature and Department of Finance (DOF) by June 30, 2026.

Fiscal Impact:

- OPR estimates costs of approximately \$534,000 annually for 2.5 PY of staff to organize and manage the Workgroup, conduct research and analysis, facilitate the development of the Workgroup's findings, plans, and recommendations, and compile and submit the report to DOF and the Legislature. Staff assumes the costs would be incurred by OPR through the 2025-26 fiscal year. (General Fund)
- Unknown, likely minor costs for staff at the California Environmental Protection Agency (CalEPA), the Natural Resources Agency (CNRA), DOF, and the Department of Technology (CDT) to participate in the Workgroup. (General Fund, various special funds)
- Unknown significant General Fund cost pressures, likely in the millions annually, to provide funding to implement the recommendations for short-, medium-, and long-term solutions according to the schedule identified in the Workgroup's report, including the creation of an integrated, statewide, centralized program for assistance and training for local governments, and associated IT solutions. (General Fund)

Background: Existing law requires the State Clearinghouse, which is located within OPR, to serve as the "State Single Point of Contact" for coordinating state and local review of certain federal community development-related documents, pursuant to Presidential Executive Order 12372. In this capacity, the State Clearinghouse coordinates the review of federal financial assistance applications, federally-required state plans, direct federal development activities, and federal environmental documents. OPR is required to coordinate the development of policies and criteria to ensure that federal grants administered or expended by the state advance statewide environmental goals and objectives.

Existing law, as enacted by AB 1348 (Irwin), Chap. 444/2016, establishes the position of federal grant administrator within the State Clearinghouse to serve as the state's

primary point of contact for information on federal grants. Among other things, the federal grant administrator is authorized to work with state and local government officials, nonprofits, foundations, higher education institutions, and other interested parties on applying for and managing federal grants, and to provide training to encourage and improve the ability to pursue and manage federal grants.

Existing law, as enacted by AB 2252 (Limón), Chap. 318/2018, requires the California State Library (CSL) to create a centralized location where entities seeking state grants could find information on all state-related grant programs. The law requires the CSL to create an interactive website identifying every grant administered by the state, and requires state agencies to register every grant they administer with the CSL before opening a solicitation or award process for distribution of the grant.

Proposed Law: AB 972 would require OPR to convene a statewide, cross-agency Workgroup to develop plans for centralizing local assistance, and report recommendations to the Legislature and DOF. Specifically, this bill would:

- Require OPR, in consultation with the League of California Cities (League), the California State Association of Counties (CSAC), and the California Special Districts Association (CSDA), to convene a statewide, cross-agency Workgroup by January 1, 2025 to centralize local assistance and develop a coordinated system to manage available state and federal funding, as specified.
- Require the Workgroup to prioritize the unique needs of under-resourced and disadvantaged communities and consider ways to achieve more equitable distribution of funds.
- Require OPR to chair the Workgroup and appoint Workgroup members, including representatives from CalEPA, CNRA, DOF, CDT, the League, CSAC, CSDA, and 14 city and county members of various sizes and characteristics, as specified.
- Require the Workgroup to consider, but not be limited to, developing plans and recommendations that accomplish any of the following:
 - Creation, coordination, and implementation of an integrated, statewide, centralized program for assistance and training to local governments in grant application development, project management, implementation, and monitoring.
 - Identify substantially similar state climate resiliency and other environmental or natural resources programs to enable the state to implement a single application, with aligned scoring criteria and deadlines, for making coordinated awards under all programs, pursuant to the specified timelines.
 - Identify information technology solutions to improve processes, support uniform applications, and manage data.
- Require the Workgroup to develop a report that includes its findings, plans, and recommendations by June 30, 2026 that includes short-, medium-, and long-term solutions that can be accomplished by January 31, 2027, July 1, 2027, and July 1, 2028, respectively.
- Require the Workgroup to submit the report to the Legislature and DOF, and post it on OPR's website.
- Disband the Workgroup as of June 30, 2026.
- Prohibit the implementation of the Workgroup's recommendations, as specified in the report, without an appropriation by the Legislature.

Related Legislation: AB 1348 (Irwin), Chap. 444/2016, established the position of federal grant administrator within the State Clearinghouse at OPR to serve as the state's primary point of contact for information on federal grants. The bill also required the federal grant administrator to prepare an annual summary that includes specified information regarding federal grant funding.

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