

Date of Hearing: July 2, 2025

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

SB 388 (Padilla) – As Amended March 18, 2025

Policy Committee: Governmental Organization

Vote: 20 - 1

Urgency: No

State Mandated Local Program: No

Reimbursable: No

SUMMARY:

This bill establishes, until January 1, 2036, the California Latino Commission (CLC) to address the inequities faced by the Latino community in housing, education, economic mobility, labor, and health care.

Specifically, this bill:

- 1) Requires the CLC to consist of nine members serving four-year terms, with the Governor, President pro Tempore of the Senate, and Speaker of the Assembly each appointing three members.
- 2) Requires the CLC to meet at least quarterly to review data, develop strategies, and ensure that state policies are effectively addressing the needs of the Latino community. The CLC must host annual public forums, listening sessions, and town hall meetings across California to ensure community members have a direct role in shaping the CLC's agenda and priorities.
- 3) Prescribes the powers and duties of the CLC and requires the CLC to collaborate with specified state agencies to achieve the CLC's objectives. Each agency must provide appropriate and reasonable assistance to the CLC and the CLC may secure information necessary to effectuate the CLC's purposes from any state agency.
- 4) Requires the CLC be supported by General Fund (GF) appropriations and grants from federal and private sources.
- 5) Requires the CLC to submit an annual report detailing the CLC's work, recounting needed resources, and recommending policies for the next year.

FISCAL EFFECT:

- 1) Annual GF costs of an unknown amount, potentially in the high hundreds of thousands of dollars to low millions of dollars, to staff and operate the CLC. The author is requesting state budget funding of \$1 million in the first year and \$500,000 ongoing to establish and support the CLC. At the time of this analysis's preparation, the proposed 2025-26 state budget agreement did not include funding for the CLC.

Costs to the CLC include office space, equipment, staff salaries, and resources for travel and large public meetings across the state, with significantly higher costs if the CLC requires data collection or other information technology infrastructure. It is likely that the CLC will

require comparable resources to existing state commissions with related missions and sizes. For reference, the proposed 2025-26 state budget agreement includes \$959,000 and four positions for the Commission on Asian and Pacific Islander American Affairs (GF) and approximately \$2 million and 14 positions for the Commission on the Status of Women and Girls (\$1.6 million GF, \$357,000 Women and Girls Fund).

- 2) Costs of an unknown, but potentially significant, amount across state agencies to collaborate with the CLC to achieve the CLC's objectives (GF or special fund). Such costs will vary by agency, and may range from minor (if the agency has an informal advisory role) to significant (if formal interagency agreements for data and resource sharing or assistance are needed).

COMMENTS:

- 1) **Purpose.** According to the author:

Latinos are the heart of our economy and our culture here in California. Yet, Latinos continue to face enormous challenges across various metrics including in education, housing, health, and economic mobility. We have not done enough to make Latinos part of our conversation as the state looks forward to the future workforce and our economy. As families face a growing affordability crisis, we must seek every avenue to help underserved communities find greater economic mobility and educational outcomes by ensuring those communities are front and center to the challenges impacting them. For a community as diverse as the Latino community, this means ensuring that they are the driver's seat in identifying challenges and priorities to better serve their needs.

This bill is supported by the California Latino Legislative Caucus, various community groups, and education entities.

- 2) **Background. *Executive Order (EO) N-16-22.*** On September 13, 2022, Governor Newsom issued EO N-16-22, directing state agencies to take additional actions to embed equity analysis and considerations in their mission, policies, and practices. Amongst other directives, the EO requires every state agency to incorporate more inclusive public engagement and data analysis, tasks specified agencies to develop recommendations to improve language and communications access to state government services and programs, and establishes the state's first Racial Equity Commission to produce a Racial Equity Framework of resources and tools to promote racial equity and address structural racism. Governor Newsom also appointed the state's first Chief Equity Officer at the Government Operations Agency to oversee these priorities in relation to state operations, procurement, and human resources.

CLC. According to recent census data, Latinos represent the largest ethnic group in California, comprising approximately 40% of the state's population. This bill establishes the CLC to address the inequities faced by the Latino community in housing, education, economic mobility, labor, and health care.

- 3) **Prior Legislation.** AB 3031 (Lee), of the 2023-24 Legislative Session, would have established the LGBTQ+ Commission to advise and make recommendations on policy matters affecting the state's LGBTQ+ community. AB 3031 was vetoed by Governor Newsom, who stated:

Continuing this work to advance equity and fight against discrimination is integrated into the administration's ongoing effort to tackle disparities and strengthen our commitment to a California For All. While I appreciate the author's intent to provide a separate, additional venue for policy recommendations, this bill would lead to ongoing costs in the millions of dollars.

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