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Nancy Skinner, Chair

Agenda

September 7, 2021

Upon Adjournment of Session – Senate Chamber

	<u>BILL</u>	<u>AUTHOR</u>	<u>SUBJECT</u>
1.	AB 170	Ting	Budget Act of 2021
2.	AB 155	Committee on Budget	Resources
3.	AB 162	Committee on Budget	Community Economic Resilience Fund Program
4.	AB 163	Committee on Budget	State Government
5.	AB 165	Committee on Budget	State Employment: State Bargaining Units
6.	AB 166	Committee on Budget	Department of Cannabis Control: Licensure: Fee Waivers and Deferrals
7.	AB 167	Committee on Budget	Education
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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 170 **Hearing Date:** September 7, 2021
Author: Ting
Version: September 6, 2021 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Joe Stephenshaw

Subject: Budget Act of 2021

Summary: This is a Budget Bill Junior associated with the Budget Act of 2021. This bill makes technical and substantive changes to the Budget Act.

Background: On June 14, 2021, the Legislature passed AB 128 (Ting), Chapter 21, Statutes of 2021, which represented the Legislature's budget agreement.

On June 28, 2021, the Legislature passed SB 129 (Skinner), Chapter 69, Statutes of 2021, which made amendments based off of AB 128 and represented the budget agreement between the Legislature and the Administration.

On July 8, 2021, the Legislature passed AB 161 (Ting), Chapter 43, Statutes of 2021, which was a Budget Bill Junior that made changes to the Budget Act.

On July 14, 2021, the Legislature passed AB 164 (Ting), Chapter 84, Statutes of 2021, which is a Budget Bill Junior that made changes to the Budget Act.

Proposed Law: Makes technical and clarifying changes to various items, including for the State Library, University of California, California State University, Workforce Development Board, Department of Industrial Relations, the Department of Tax and Fee Administration, and the Franchise Tax Board.

Significant provisions of this bill include:

K-12 Education

- 1) Specifies that of the Elementary and Secondary School Emergency Relief state set-aside funds appropriated for state operations, \$1.2 million is available for the State Board of Education. Funds will be used to support six additional positions for the State Board of Education.
- 2) Provides an increase in expenditure authority of \$814,000 Teacher Credentialing Fund and 5.0 positions in fiscal year 2021–22 for the Commission on Teacher Credentialing to support outreach, contracting, and administration of grants and updates to teacher testing.
- 3) Updates the amount and authority for the federal Emergency Assistance to Non-Public Schools Grant Program, the federal Governor's Emergency Education

Relief Fund and the Elementary and Secondary School Emergency Relief fund to reflect updated federal funding amounts and available carryover funds.

- 4) Makes a variety of other changes to federal funds items to reflect updated federal grant awards.

Early Learning and Care

- 1) Provides \$6 million to include the Emergency Child Care Bridge Program in one-time hold harmless and 16 additional paid non-operational days provisions.
- 2) Shifts \$10 million from local assistance state operations to support a contract for California Preschool Learning Foundations.
- 3) Shifts a total of \$4.2 million in General Fund from the Department of Social Services to the Department of Education and provides authority for the shared administration of the Child and Adult Care Food Program between the departments in the 2021-22 fiscal year.
- 4) Clarifies that \$20 million is appropriated in one-time federal funds for Resource and Referral agencies and of this, \$10 million is provided for each of the 2021-22 and 2022-23 fiscal years.
- 5) Updates the daily rate reference for the California State Preschool Program.
- 6) Makes a variety of reference updates and other technical changes.

Resources

- 1) **Wildfire Prevention and Resilience Package.** Appropriates \$988 million (\$758 million General Fund and \$230 million Greenhouse Gas Reduction Fund (GGRF)) in 2021-22, as follows:
 - a. \$541 million for Resilient Forests and Landscapes, including:
 - i. \$159 million to CalFire for forest health.
 - ii. \$40 million to CalFire for the California Forest Improvement Program (for small landowners).
 - iii. \$10 million to CalFire for the California Forest Legacy Program.
 - iv. \$9 million to CalFire for the restoration nursery.
 - v. \$20 million to CalFire for urban forestry.
 - vi. \$19 million to CalFire for tribal engagement.
 - vii. \$105 million to the Department of Parks and Recreation (Parks) for stewardship of state-owned lands.

- viii. \$40 million to the Department of Fish and Wildlife (DFW) for stewardship of state-owned lands.
- ix. For wildfire prevention and resilience purposes on state conservancy lands:
 - 1. \$36 million to Tahoe Conservancy.
 - 2. \$50 million to Sierra Nevada Conservancy.
 - 3. \$15 million to Santa Monica Mountains Conservancy.
 - 4. \$13 million to San Diego River Conservancy.
 - 5. \$15 million to Los Angeles Rivers and Mountains Conservancy.
 - 6. \$10 million to State Coastal Conservancy, of which \$5 million for use by the San Francisco Bay Conservancy Program.
- b. \$282 million for wildfire fuel breaks, including:
 - i. \$40 million to CalFire for unit fire prevention projects.
 - ii. \$120 million to CalFire for fire prevention grants.
 - iii. \$35 million to CalFire for prescribed fire and hand crews.
 - iv. \$27 million to the California Conservation Corps (CCC) for the Forestry Corps and CCC residential centers.
- c. \$20 million community hardening purposes, including:
 - i. \$13 million to CalFire for defensible space inspectors.
 - ii. \$7 million to University of California Agriculture and Natural Resources (UC ANR) and the State Fire Marshal for land use planning and public education.
- d. \$49 million for science-based management, including:
 - i. \$20 million to CalFire for monitoring, research and adaptive management.
 - ii. \$25 million to CNRA for remote sensing.

- iii. \$4 million to the Air Resources Board (\$2 million) and the State Water Resources Control Board (SWRCB) (\$2 million) for permit efficiencies.
- e. \$51 million for forestry sector economic stimulus, including:
 - i. \$31 million to the California Infrastructure and Economic Development Bank (IBank) for the Climate Catalyst Fund and market strategy.
 - ii. \$2 million to Governor's Office of Business and Economic Development (GO-Biz) for the Climate Catalyst Fund and market strategy.
 - iii. \$18 million to CalFire for workforce development.
- f. \$20 million to CalFire for a prescribed fire liability pilot program.
- g. \$24 million for other wildfire prevention and resilience purposes, including:
 - i. \$14 million to CalFire for Contract Counties to perform fuel reduction work.
 - ii. \$10 million to CalFire for an interagency forest data hub.

2) **Water Resilience Package.** Appropriates \$855 million (\$730 million General Fund and \$125 million special fund) in 2021-22, including:

- a. \$120 million to the Department of Water Resources for implementation of the Sustainable Groundwater Management Act.
- b. \$10 million to the California Department of Food and Agriculture (CDFA) for the State Water Efficiency and Enhancement Program.
- c. \$130 million to DWR for flood protection purposes.
- d. \$115 million to DWR for groundwater cleanup and water recycling.
- e. \$100 million to the Wildlife Conservation Board for Streamflow Program (water supply for environmental flows).
- f. \$30 million to SWRCB for per- and polyfluoroalkyl substances (PFAs) support.
- g. \$20 million to DWR for an aqueduct solar panel pilot study.
- h. \$25 million to DWR for watershed climate studies.
- i. \$50 million to DOC for multi-benefit land repurposing.

- j. \$165 million to CNRA water resilience projects.
- k. \$40 million to DWR for the Salton Sea.
- l. \$20 million to SWRCB for border rivers.
- m. \$30 million to various agencies for urban streams and rivers.

The Water Resilience Package also includes additional funding of \$880 million in 2022-23 and \$500 million in 2023-24. Including \$2.414 billion already approved in the Budget Act, the Water Resilience Package totals \$4.649 billion.

3) **Climate Resilience Package.** Provides \$369.2 million General fund in 2021-22, as follows:

- a. Extreme Heat:
 - i. \$50 million to CNRA for urban greening/urban forestry.
- b. Multi-Benefit and Nature Based Solutions:
 - i. \$15 million to DFW to address climate change impacts on wildlife.
 - ii. \$31 million to WCB to protect fish and wildlife from changing conditions.
- c. Building Ocean and Coastal Resilience:
 - i. \$12 million to Parks for state parks sea level rise adaptation strategy.
- d. Building Community and Regional Climate Resilience:
 - i. \$115 million to the Strategic Growth Council (SGC) for the Transformative Climate Communities program.
 - ii. \$10 million to SGC for regional climate collaboratives.
 - iii. \$10 million to OPR for climate adaptation and resilience planning grants.
 - iv. \$5 million to OPR for vulnerable communities platform and Cal-Adapt mapping.
 - v. \$10 million to the California Environmental Protection Agency (CalEPA) for the Environmental Justice Initiative.
 - vi. \$5 million to CalVolunteers for the California Climate Action Corps.

- vii. \$25 million to OPR and SGC for regional climate resilience planning and implementation.
- viii. \$60 million to state conservancies for climate resilience purposes.
- e. Strategic Climate Resilience Investments and Projects:
 - i. \$22 million to CNRA, OPR, and the California Energy Commission for purposes of the Fifth Climate Assessment.

The Climate Resilience Package includes an additional \$2.09 billion in 2022-23 and \$1.23 billion in 2023-24, totaling \$3.69 billion over three fiscal years.

- 4) **Agriculture Package.** Provides \$438 million (\$200 million General Fund and \$238 million special fund) in 2021-22, as follows:
- a. \$30 million to the California Department of Food and Agriculture (CDFA) for the California Farm to School Incubator Grant Program.
 - b. \$10 million to CDFA for the California Nutrition Incentive Program.
 - c. \$10 million to CDFA for the Healthy Refrigeration Grant Program.
 - d. \$12 million to CDFA for the Urban Agriculture Program.
 - e. \$25 million to CDFA for the Healthy Soils Program.
 - f. \$32 million to CDFA for Livestock Methane Reduction with priority given to the Alternative Manure Management Program.
 - g. \$15 million to CDFA for the Pollinator Habitat Program.
 - h. \$17 million to CDFA for technical assistance and conservation management plans.
 - i. \$9 million to CDFA for the Sustainable California Grown Cannabis pilot program.
 - j. \$213 million to CDFA for the Funding Agricultural Replacement Measures for Emission Reductions (FARMER) program.
 - k. \$4 million to CDFA for impact assessment and alignment of regulatory reporting requirements for agriculture.
 - l. \$30 million to CDFA for Fresno-Merced Future of Food (F3) Innovation Initiative.
 - m. \$5 million to CDFA for New and Beginning Farmer Training and Farm Manager Apprenticeships Program.

- n. \$5 million to CDFA for research in greenhouse gas emissions reduction in agriculture.
- o. \$5 million to CDFA for the Invasive Species Council.
- p. \$15 million to CDFA for the Farm to Community Food Hubs Program.
- q. \$1 million to CDFA for Canine Blood Bank.

The Agriculture Package includes an additional \$417 million in 2022-23 and included \$246 million in the Budget Act, totaling \$1.1 billion over two fiscal years.

5) **Circular Economy.** \$75 million (\$65 million General Fund and \$10 million special fund) in 2021-22, as follows:

- a. \$3 million to the Department of Resources Recycling and Recovery (CalRecycle) for food waste prevention and rescue programs.
- b. \$5 million to CalRecycle for community composting.
- c. \$2 million to CalRecycle for Circular Economy development.
- d. \$10 million to CalRecycle for co-digestion at wastewater treatment plants.
- e. \$20 million to CalRecycle for organics grants.
- f. \$25 million to CalRecycle for the Recycling Market Development Zone Loan Program.
- g. \$10 million to CalRecycle for the Quality Incentive Payment Program for plastic thermoforms.

The Circular Economy Package provides an additional \$65 million in 2022-23, totaling \$140 million over two fiscal years.

6) **Cap and Trade Discretionary Spending Plan.** Appropriates \$850 million GGFR, as follows:

- a. \$155 million to CalFire for Healthy & Resilient Forests.
- b. \$260 million to ARB for AB 617 community air protection.
- c. \$50 million to ARB for AB 617 local implementation.
- d. \$10 million to ARB for AB 617 technical assistance.
- e. \$170 million to ARB for agricultural Diesel engine replacement and upgrades.
- f. \$25 million to CDFA for the Healthy Soils Program.

- g. \$130 million to CalRecycle for waste diversion/recycling infrastructure, \$70 million for organics grants and \$60 million for grants to local jurisdictions to assist in implementation of SB 1383 (Lara), Chapter 395, Statutes of 2016.
- h. \$15 million to Department of Community Services and Development for the Low-Income Weatherization Program (LWIP).
- i. \$5 million to ARB for woodstove replacements.
- j. \$30 million to ARB for small off-road engines (e.g. leaf blowers).

The Cap and Trade Discretionary Spending Plan includes \$684 million already appropriated in the Budget Act. Total funding in the plan for 2021-22 is \$1.534 billion.

7) **Parks-Related Appropriations.** Includes the following:

- a. \$154.2 million to Parks for statewide urban rivers and waterways grant program.
- b. \$6 million to Parks for City of La Puente for an urban forest park within the city limits.
- c. \$1 million to State Coastal Conservancy for a coastal trail system in the Garripata State Park in Monterey County.
- d. \$1 million for San Diego River Conservancy for Native American Tribal Conservation Corps pilot program.
- e. \$1 million to WCB to appraise West Coyote Hills property in North Orange County.
- f. \$1 million to the Secretary of Transportation for Highway 37 climate adaptation.
- g. \$4 million to SGC for Green Means Go in Sacramento.
- h. \$1 million to Cal OES for fire and public safety departments of the Cities of Lindsay, Woodlake, and Sanger in the counties of Fresno and Tulare for the purposes of public safety equipment to address wildfire risk and impacts.

8) **Department of Fish and Wildlife Positions.** Provides personnel year authority to DFW for 29 positions to help address issues related to cannabis, such as water theft and contamination of rivers and streams due to illegal grows.

9) Includes a prohibition on certain funds from being allocated for the purchase of fully automated cargo handling equipment.

Health

- 1) Authorizes General Fund expenditure authority of \$40 million for the California Health Facilities Financing Authority (CHFFA) to provide cash flow loans to non-designated public hospitals, due to the financial impacts of the COVID-19 public health emergency.
- 2) Reappropriates General Fund expenditure authority of \$67 million, originally authorized by the 2017 Budget Act, for CHFFA to support the Community Services Infrastructure Grant Program, which creates and expands community alternatives to incarceration in the form of mental health treatment, substance use disorder treatment, and trauma-centered services.
- 3) Authorizes General Fund expenditure authority of \$7.5 million in 2021-22 for the Department of Health Care Services (DHCS) to support short-term residential therapeutic programs (STRTPs) with more than 16 beds that are ineligible for federal funding due to the federal exclusion on funding for Institutes for Mental Disease (IMDs).
- 4) Authorizes federal fund expenditure authority of \$1.6 million for DHCS to support behavioral health services for individuals impacted by the state's wildfires and the COVID-19 pandemic, pursuant to federal grants awarded to the state by the Substance Abuse and Mental Health Services Administration (SAMHSA).
- 5) Authorizes federal fund expenditure authority of \$6.9 million for DHCS to support testing and other COVID-19 response activities for substance use disorders services providers and organizations, pursuant to a federal grant awarded to the state by SAMHSA.
- 6) Authorizes reimbursement expenditure authority of \$503.9 million for the Department of Public Health (DPH) to support expanded testing, contact tracing, surveillance, containment, and prevention of COVID-19, pursuant to a federal Epidemiology and Laboratory Capacity (ELC) Enhancing Detection Expansion grant award from the Centers for Disease Control and Prevention (CDC).
- 7) Authorizes reimbursement expenditure authority of \$882.8 million for DPH to support school-based COVID-19 screening testing for teachers, staff, and students to assist schools in reopening safely for in-person instruction, pursuant to a federal ELC for Re-Opening Schools grant award from the CDC.
- 8) Authorizes federal fund expenditure authority of \$19.3 million for DPH to support strategies to improve COVID-19 response activities in populations that are high-risk and underserved, pursuant to a federal Health Disparities Grant award from the CDC.

Human Services

- 1) Increase of \$16.7 million General Fund for the Department of Social Services to provide assistance to Afghan citizens evacuated from Afghanistan.

- 2) Increase of \$44 million in federal relief funding for the Department of Social Services to increase participation in the CalFresh program.
- 3) Increase of \$11.7 million General Fund for the Department of Social Services to reflect 25 percent increase to California Food Assistance Program benefit amounts, consistent with federal policy change.
- 4) Increase of \$10.4 million General Fund for the Department of Social Services to assist Short-Term Residential Treatment Program providers reduce capacity to continue receiving Medicaid funding, due to federal law changes.
- 5) \$139.2 million increase in expenditure authority for the Department of Aging to accept and expend one-time federal relief funding.

General Government

- 1) Removes \$200,000 General Fund for the Racial Equity Advisory Council, to continue discussions for the Office of Racial Equity as proposed in Senate Bill 17.
- 2) Adjusts the Secretary of State's expenditure authority from the Business Fees Fund by \$2.2 million for the California Business Connect project.
- 3) Adds provisional language that allows the Department of Finance to augment expenditures from the Cannabis Control Fund for additional proprietary plant and package tags for the California Track and Trace program, with notification to the Joint Legislative Budget Committee.
- 4) Increases the transfer authority from the General Fund to the State Project Infrastructure Fund by \$11.5 million for purposes of the Capitol Annex.
- 5) Increases the federal fund authority by \$1.6 million total for the California Arts Council to reflect receipt of American Rescue Plan Act funding from the National Endowment for the Arts.
- 6) Reappropriates \$12.1 million to allow the California Arts Council to encumber unspent funds for grant distribution to various arts organizations.
- 7) Increases the federal fund authority by \$23.4 million for the California Department of Veterans Affairs to reflect receipt of American Rescue Plan Act funding intended for veterans homes nationwide.
- 8) Makes various clarifying and technical changes and includes additions to Control Sections 19.56 and 19.57.

Corrections, Public Safety, the Judiciary, Labor and Transportation Corrections, Public Safety, the Judiciary

- 1) Makes a \$52.7 million supplemental appropriation for the construction phase of the Judicial Branch's Stanislaus-New Modesto Courthouse.

- 2) Allocates \$30 million General Fund in 2021-22 and ongoing to increase the number of court reporters in family law and civil law cases.
- 3) Includes \$30 million General Fund in 2021-22 for the Court Interpreter Employee Incentive Grant.
- 4) Makes \$7 million in 2021-22 and ongoing available to the Judicial Council to establish a methodology to allocate a share of resources to all courts to cover the costs associated with the increased transcript rates.
- 5) Includes \$500,000 General Fund in 2021-22 for the Transcript Reimbursement Fund. These funds are available to reimburse applicants that could not be reimbursed during the years 2017 to 2020, inclusive, and for applicants that seek reimbursement after 2020.
- 6) Augments the amount available to the Department of Justice in 2021-22 for participation in the California Highway Patrol Retail Theft Task Force by \$102,000. The total available is now \$251,000.
- 7) Includes \$100,000 to the Board of State and Community Corrections for administrative and project support costs associated with Sections 19.56 and 19.57.

Fiscal Effect: This bill includes various items of appropriation that impact state resources, including the General Fund. However, the majority of the funds appropriated in this bill were previously assumed in the 2021 budget plan.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 155 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 6, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: Joanne Roy

Subject: Public resources trailer bill

Summary: This bill is the omnibus Resources budget trailer bill. It contains provisions necessary to implement the 2021 Budget Act.

Proposed Law: This bill:

- 1) **Public Utility Commissioner Salary.** Provides for the members of the Public Utilities Commission (PUC) to receive a five percent salary increase per year for each of the 2021-22, 2022-23, and 2023-24 fiscal years. This is in addition to the cost of living increase provided for in current law.
- 2) **Fuel Cell Net Energy Metering.** Provides for the extension of eligibility for the existing fuel cell net energy metering tariff that electrical corporations have filed with the PUC from December 31, 2021 to December 31, 2023.
- 3) **Clean Transportation Program.** Renames the Alternative and Renewable Fuels and Vehicle Technology program the Clean Transportation program, and allows native tribes to compete for funding.
- 4) **Healthy Forest and Fire Protection Funding.** Continuously appropriates \$200 million Greenhouse Gas Reduction Fund annually until 2028-29 for healthy forest and fire prevention programs and projects that improve forest health and reduce emissions of greenhouse gases caused by uncontrolled wildfires and for completion for prescribed fires and other fuel reduction projects.
- 5) **Wildfire Reporting.** Requires an agency, on or before April 1, 2022, and annually thereafter to report on all programs related to wildfires and forest resilience funded pursuant to the Budget Act of 2021 for purposes of informing the Legislature and the public on the agency's implementation of the funded programs.
- 6) **Multibenefit and Nature-Based Solutions.** Upon appropriation by the Legislature in the annual Budget act, makes available \$593 million in 2022-23 and \$175 million in 2023-24 to the Natural Resources Agency and its departments, conservancies, and boards, to support programs and activities that advance multibenefit and nature-based solutions to protect, enhance, or restore natural or modified ecosystems. Specifies that no less than \$60 million annually shall be available in 2022-23 and 2023-24 to support state conservancies.

- 7) **California Environmental Quality Act (CEQA) Biodiversity.** Until January 1, 2025, exempts from CEQA projects that conserve, restore, protect, or enhance, and assist in the recovery of California native fish and wildlife, habitat upon which they depend or that restore or provide habitat for California native fish and wildlife.
- 8) **CEQA: Klamath River Dam Removal Projects.** Specifies that the environmental review set forth in the Final Environmental Impact Report for the Lower Klamath Project License Surrender, in combination with other environmental review documents related to removal of facilities on the Klamath River prepared and adopted by the Federal Energy Regulatory Commission, is conclusively presumed to satisfy the requirements of CEQA for any project for the removal of hydroelectric dams and associated facilities, along with associated restoration of formerly inundated lands, hatchery modifications, and implementation of mitigation measures in the Klamath River Basin.
- 9) **Coastal Adaptation and Protection.** Upon appropriation by the Legislature in the annual Budget act, makes available \$350 million in 2022-23 and \$150 million in 2023-24 to the State Conservancy for grants or expenditures for the protection and restoration of coastal and ocean resources from the impacts of sea level rise and other impacts of climate change. Funds will be made available specified purposes, such as projects consistent with the San Francisco Bay Restoration Authority Act, projects for the purpose of the San Francisco Bay Conservancy Program, coastal resilience projects (e.g. coastal wetlands and watersheds, beaches, dunes, fisheries, and critical infrastructure), projects that remove outdated and obsolete dams and project that upgrade associated downstream infrastructure to increase climate resilience, enhance natural habitat transport, or improve wildlife and fish passage.
- 10) **Extreme Heat.** Upon appropriation by the Legislature in the annual Budget act, makes available \$150 million annually in 2022-23 and 2023-24 to support programs and activities that mitigate extreme heat impacts.
- 11) **Extreme Heat and Community Resilience Program.** Upon appropriation by the Legislature in the annual Budget act, makes available \$25 million in 2022-23 and \$75 million in 2023-24 to the Office of Planning and Research (OPR), through the Integrated Climate Adaptation and Resiliency Program for the establishment of a grant program for projects to mitigate the impacts of extreme heat or the urban heat island effect.
- 12) **Community Resilience Centers.** Upon appropriation by the Legislature in the annual Budget act, makes available \$25 million in 2022-23 and \$75 million in 2023-24 to the Strategic Growth Council, in coordination with OPR, for the establishment of a community resiliency centers grant program.
- 13) **Carbon-Negative Fuels Pilot Projects in Sierra Nevada Mountain Range.** Upon appropriation by the Legislature in the annual Budget act, makes available \$50 million 2022-23 to the Department of Conservation, in coordination with the Air Resources Board and the State Energy Resources Conservation and Development Commission, for pilot projects in the Sierra Nevadas to create carbon-negative fuels from materials resulting from forest vegetation management.

- 14) **Climate Catalyst Fund.** Allows the Infrastructure and Economic Development Bank (also known as IBank) to provide financial assistance for projects related to wildfire prevention and resilience as well as agricultural improvements that reduce climate impacts.
- 15) **Recycling Market Development Zone (RMDZ) Program.** Authorizes the Department of Resources Recycling and Recovery (CalRecycle) to expend moneys in the Recycling Market Development Revolving Loan Subaccount in the Integrated Waste Management Account within areas outside of RMDZs where making the loan will benefit jurisdiction or assist a local jurisdiction, as specified.
- 16) **CalRecycle Greenhouse Gas Revolving Loan Program: Grant Program.** Upon appropriation by the Legislature in the annual Budget act, requires CalRecycle to administer the grant program to provide financial assistance to promote in-state development of infrastructure, food waste prevention, or other projects to reduce organic waste or process organic and other recyclable materials into new, value-added products.
- 17) **Bottle Bill: Small Grocers.** Until January 1, 2023, exempts dealers (e.g. small grocery stores), which have gross annual sales of less than \$1.5 million and are less than 5,000 square feet, from requirements to either take back empty beverage containers for redemption or pay \$100 per day to CalRecycle if the dealer is within an unserved convenience zone.
- 18) **Healthy Refrigeration Grant Program.** Expands the definition of “qualified entity” to include a tribal government or tribal organization, as specified, and revises the requirements of a grant recipient under the program.
- 19) **Safe and Affordable Drinking Water (SADW) Eligibility.** Expands the list of eligible funding recipients to include technical assistance providers, as defined, and provides that a privately owned public utility may serve as a technical assistance provider.
- 20) **Water Arrearages.** Until December 31, 2021, prohibits all community water systems from discontinuing water service to customers due to nonpayment.
- 21) **Water Rights Reporting.** Establishes specific reporting requirements for water extractions and diversions.
- 22) **State Coastal Conservancy: Officer or Employer: Financially Interested Contracts.** Provides that an officer or employee of the State Coastal Conservancy is not deemed to be financially interested in a contract executed in their official capacity when specified conditions are met, including that the contact involves a grant of funds approved by the San Francisco Bay Restoration Authority to the conservancy.
- 23) **Tesla Park.** Requires the Department of Parks and Recreation to determine the best use of land known as “Alameda-Tesla Expansion Area,” which is currently part of the Carnegie State Vehicular Recreation Area, and prohibits this land from being designated as a state vehicular recreation area. This bill provides \$29.8 million

General Fund to the Off-Highway Vehicle Trust Fund to be used for the acquisition and development of properties to expand off-highway vehicle recreation.

24) **Off-Highway Motor Vehicle Recreation Commission.** Among other things, requires a nominee to the commission have expertise or represent one of a list of specified interests.

25) **Tidelands and submerged lands: City of Long Beach: Oil Revenue.** Provides that the state consents to the application of specified ordinances to the state's share of oil revenue within the Long Beach tidelands for taxes on such production leveled and in effect as of October 1, 2021. This bill prohibits the state's share of oil revenue within the Long Beach tidelands from being subject to specified municipal charges not already levied on or before October 1, 2021, that has the effect of reducing the state's share of oil revenue, net profits, or remaining oil revenue received into the General Fund, without express statutory authorization for that tax, fee, or assessment.

Fiscal Effect: The funding related to the changes in this bill is contained in the Budget Act of 2021.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 162 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 4, 2021 As amended
Urgency: Yes **Fiscal:** Yes
Consultant: Anita Lee

Subject: Community Economic Resilience Fund Program

Summary: This bill makes necessary changes to implement the Community Economic Resilience Fund (CERF) Program as provided in the Budget Act of 2021.

Proposed Law: This bill makes various statutory changes to implement the provisions of the Budget Act of 2021.

- 1) **Community Economic Resilience Fund (CERF) Program.** This bill establishes the CERF Program, to be administered by the Workforce Services Branch at the Employment Development Department. The program shall be overseen by the Labor and Workforce Development Agency, Office of Planning and Research and the Governor's Office of Business and Economic Development, referred to as the Inter-Agency Leadership Team.

The program shall provide financial support to establish highroad transition collaboratives to design region and industry specific economic recovery and transition strategies. The Inter-Agency Leadership Team shall award planning grants on a competitive basis to each region. The plans must address economic diversification, industry planning, workforce development and safety net programs. The plans must prioritize high-quality jobs and equitable access to them and emphasize the development of sustainable industries.

The Inter-Agency Leadership Team shall award competitive grants to implement the plans. Grant recipients must align with regional workforce needs by linking with high road training partnerships or high road construction career training programs.

The Workforce Services Branch shall submit an annual report to the Legislature starting on December 31, 2022 regarding the grants awarded, progress on individual program objectives, related to high road metrics, including equity job quality and sustainability, job creation, wage increases, and job retention. Additionally, the Workforce Services Branch shall submit a supplemental annual report to the Legislature starting on June 31, 2023 regarding key findings on regional trends in sustainable economic recovery and common challenges in the development and implementation of high road strategies.

Fiscal Effect: \$600 million federal funds from the Coronavirus Fiscal Recovery Fund of 2021.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 163 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 6, 2021 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Yong Salas

Subject: State government

Summary: This bill contains statutory provisions related to general government necessary to implement the Budget Act of 2021.

Proposed Law: This bill makes the following statutory changes:

- 1) **Transcript Reimbursement Fund.** Provides that funding appropriated to the Transcript Reimbursement Fund from a source other than fees to the board are not subject to the \$300,000 annual transfer limit, prohibits the maximum amount for reimbursement for specified services from exceeding \$30,000 per case per year, prohibits the disbursement costs to cover the costs of providing transcripts from exceeding \$2,500 per case, and eliminates the \$75,000 annual limit on total disbursements to cover the costs of providing transcripts.
- 2) **Government Code Section 7902.2 clean up.** Renumbers Government Code section 7902.2 to 7902.2.2 to remove duplicate sections.
- 3) **Card room fee waivers clean up.** Aligns the eligibility period for specified licensees under the Gambling Control Commission with the collection period for related fees.
- 4) **Hate victim services grant program clean up.** Clarifies that the grant program also support victims and survivors of hate incidents, in addition to hate crimes.
- 5) **West Wing appropriation increase.** Increases the amount authorized from the State Project Infrastructure Fund for the State Capitol's West Wing renovations from \$20 million to \$37 million.
- 6) **AB 1323 clean up.** Requires the Department of Technology to create a plan and work with state agencies and entities on the implementation of the plan, and submit the plan to the Joint Legislative Budget Committee.

Fiscal Impact: Increases the amount that is continuously appropriated for purposes of West Wing renovations.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 165 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 4, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: Hans Hemann

Subject: State employment: State Bargaining Units

Summary: Makes necessary statutory changes to ratify and implement memoranda of understanding (MOU) side letters and addenda between the state and bargaining units (BUs) 7 and 8. The agreements cover state employees represented by two exclusive employee representatives, as follows:

- California State Law Enforcement Association (CSLEA)
 - Bargaining Unit 7: Protective Services and Public Safety
- California Department of Forestry and Fire Protection Firefighters, CAL FIRE Local 2881
 - Bargaining Unit 8: California Firefighters

Appropriates funds necessary to implement the finalized salary surveys for BU 5 (California Association of Highway Patrolmen) and Judges.

Makes technical and clarifying amendments.

Existing Law:

- 1) Establishes the Ralph C. Dills Act, which requires the state to collectively bargain with the exclusive representatives of employee groups (i.e., bargaining units) - regarding wages and working conditions, and to define negotiated agreements in MOUs.
- 2) Establishes the California Department of Human Resources (CalHR) as the official representative of the Governor in all matters related to collective bargaining with state employees.
- 3) Requires that any MOU between the state and an exclusive representative be ratified by the Legislature.
- 4) Establishes the California Public Employees' Retirement System (CalPERS), which administers health and retirement benefits for state employees.
- 5) Requires the Legislative Analyst's Office (LAO) to analyze all state MOUs and to provide analysis of an MOU and its fiscal impact to the Legislature within 10 days of receipt of an MOU from CalHR.

- 6) Provides that fully vested state retirees (e.g., with 20 or more years of state employment or with 25 years or more, depending on the bargaining unit) are entitled to an employer contribution for retiree health care equal to 80 or 100 percent of the weighted average premium of the four health plans most highly utilized by all members. Depending on the bargaining unit, dependents are eligible for a contribution based on 80 or 90 percent of the average additional premiums paid for dependents during the benefit year in which the formula is applied. These are referred to as the 80/80 and 100/90 formulas.
- 7) Requires that Medicare-eligible retirees enroll in Medicare and choose a Medicare-coordinated health plan.
- 8) Provides that the employer contribution for active state employee health care shall be determined through collective bargaining.
- 9) The 2020-21 Budget Act achieved General Fund savings in state employee compensation through the ratification of negotiated agreements between the state and 21 bargaining units. Among other cost saving measures, the ratified MOU addenda and side letters included a personal leave program (PLP 2020) that achieved a savings for each day employee pay was reduced. Except for BU 8, which negotiated a PLP 2020 agreement for 2020-21, the PLP 2020 was approved by 20 other bargaining units for fiscal years 2020-21 and 2021-22 and varied in the amount of reduced pay depending on the bargaining unit. In addition, the agreements suspended employee contributions to prefund retiree health benefits in 2020-21 and 2021-22.

Proposed Law: The bill makes the following statutory changes:

- 1) This bill ratifies the side letters entered into between the state and BUs 7 and 8, notwithstanding the requirement for the LAO to produce a fiscal analysis, as follows:
 - a. Approves provisions requiring the expenditure of funds for the side letters entered into by the state and BUs 7 and 8.
 - b. Authorizes the state or any of the bargaining units to reopen negotiations if funds for those provisions are not specifically appropriated by the Legislature. The bill provides that the provisions of the side letters that require expenditure of funds become effective even if those provisions are approved by the Legislature in legislation other than the annual Budget Act.
- 2) This measure appropriates additional funds necessary to implement the finalized salary survey for BU 5 and Judges.
- 3) Makes technical amendments to address chaptering out issues related to the side letter for BU 19 (AFSCME) that was ratified by the Legislature in June.
- 4) Makes a technical and clarifying amendment to reference the Proposition 2 Budget Stabilization Account for the one-time payment for Other Post-Employment Benefits (OPEB) that was adopted as part of the 2021-22 Budget Act in June.

- 5) Appropriates \$38,737,000 for expenditure in the 2021–22 fiscal year for the purpose of state employee compensation, as provided.
- 6) Includes provisions to take effect immediately.

Comments: The side letter agreements between the state and BUs 7 and 8 are as follows:

Bargaining Unit 7: The MOU side letter agreement between the state and BU 7 (California State Law Enforcement Association) is, as follows:

The side letter modifies the existing MOU between BU 7 and the state to reflect an addition to the special salary adjustments. Effective September 1, 2021, employees in three classifications employed at the Department of Justice will receive a 12% special salary adjustment.

The three classification are:

- Special Agent Trainee
- Special Agent
- Special Agent Supervisor

Bargaining Unit 8: The MOU side letter agreement between the state and BU 8 (CAL FIRE Local 2881) is, as follows:

Compensation

Salary Increase

- Effective the July 1, 2021 pay period following ratification of the side letter, all BU 8 employees will receive a 2.5 percent salary increase.

Special Salary Adjustments

- Effective the January 1, 2022 pay period following ratification of the side letter, all BU 8 Fire Protection employees and Specialty Classes shall receive additional compensation in the amount of 2.62 percent of base salary for the duration of the side letter.

PLP 2020

- Provisions related to usage and compensability shall continue in the same manner as Vacation Policy/Annual Leave Use Policy.

Miscellaneous

Joint Labor Management Committee

- A joint labor management committee will be established and begin meeting within 60 days of ratification of the side letter to address issues of mutual concern including but not limited to hours of work, work schedules, recruitment and retention.

Contract Reopener Language

- The parties agree to meet and confer upon finalization of the federal regulations regarding essential worker premium pay.

Term

- Effective July 1, 2021 to June 30, 2022

Fiscal Effect: This bill appropriates \$38,737,000 (\$14,946,000 General Fund) to implement the MOU side letters and the finalized salary surveys.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 166 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Yong Salas

Subject: Department of Cannabis Control: licensure: fee waivers and deferrals

Summary: This bill contains statutory provisions related to cannabis necessary to implement the Budget Act of 2021.

Proposed Law: This bill makes the following statutory changes:

- 1) Requires the Department of Cannabis Control to develop and implement a fee waiver program by January 1, 2022.
- 2) Requires the Department of Cannabis Control to develop and implement a fee deferral program by January 1, 2023.
- 3) Defines social equity applicants and licensees for purposes of cannabis fee waivers and deferrals, who must demonstrate the following:
 - a) In local jurisdictions with equity programs, applicants must be local equity applicants or licensees. In local jurisdictions without equity programs, applicants must be local applicants or licensees.
 - b) They, individually or in combination with other equity applicants who qualify, own at least 50 percent of the business.
 - c) They satisfy at least one of the following:
 - i. Have a prior arrest or conviction for past criminal justice policies related to cannabis prohibition.
 - ii. Reside in a low-income house.
 - iii. Reside in an area that has been disproportionately impacted by past criminal justice policies related to cannabis prohibition.
 - d) Allows the Department to further refine criteria.
- 4) Makes technical changes to the statutes related to provisional licensing.

Fiscal Impact: Appropriates \$10,000 to the State Department of Cannabis Control for purposes of implementing this act.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 167 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 6, 2021 As amended
Urgency: No **Fiscal:** No
Consultant: Elisa Wynne

Subject: Education Finance

Summary: This bill makes clarifying changes and technical corrections associated with changes to K-12 Education programs adopted as part of the Budget Act of 2021.

Proposed Law: The 2021 Budget Act included various changes to K-12 Education programs; AB 167 makes amendments and corrections to statutory provisions that are necessary to implement the 2021 Budget Act. Specifically this bill makes the following changes:

- 1) Amends language around the California Pre-kindergarten Planning and Implementation Grant Program to specify base grant amounts for local educational agencies based on the size of their kindergarten enrollment.
- 2) Requires that the California Department of Education enter into contracts with county offices of education or a consortium of county offices for the development of each of the following:
 - a) A model curriculum related to the Vietnamese American refugee experience by September 1, 2024
 - b) A model curriculum related to the Cambodian Genocide by September 1, 2024
 - c) A model curriculum related to Hmong history and cultural studies by September 1, 2024
 - d) A model curriculum related to Native American studies by September 1, 2025.

The model curricula developed pursuant to each of these contracts will be housed on the platform developed and maintained by the California History-Social Science Project. The contractor shall ensure the inclusion of authentic voices and perspectives in the development of the model curriculum and shall provide multiple opportunities for authentic stakeholder engagement across the state. The contractor shall consult with representatives relevant to each curriculum as specified in statute. The model curricula are guides to allow school districts, charter schools, and county offices of education to adapt their related courses to best meet the educational needs of their communities.

- 3) Appropriates \$1.031 million to the Superintendent of Public Instruction. Of this, \$750,000 is for the development of a digital platform by the California History

Social Science Project to host model curricula, and \$281,000 is to contract with a non-governmental organization to convene a Statewide Model Curriculum Coordinating Council.

- 4) Allows for an extension, until January 31, 2022, of the deadline for submitting audit and financial reports for the 2020-21 school year to apply to charter schools in addition to other local educational agencies.
- 5) Makes the following changes related to Independent Study:
 - a) Specifies that local educational agencies may receive apportionment for students participating in independent study because of COVID-19 related quarantine, beginning on the first day of quarantine.
 - b) Specifies that a classroom-based charter school providing independent study to students who are unable to attend classes in person because of COVID-19 related quarantine is not required to count these students as non-classroom based charter school average daily attendance and is not required to file for a funding determination.
 - c) Clarifies that a local educational agency may obtain signed independent study master agreements up to 30 days after a student begins an independent study program.
 - d) Clarifies that synchronous instruction under independent study may be provided by the teacher of record or the certificated teacher of the local education agency providing instruction for course-based independent study.
 - e) Makes a variety of other amendments to clarify tiered re-engagement and attendance-related requirements, specifies audit requirements and makes other technical changes.
- 6) Makes the following changes to the J-13a process for claiming apportionment for schools and charter schools that are unable to operate schools for the full school year due to an emergency:
 - a) Clarifies that local educational agencies must have a plan to offer instructional services to students within ten days, but may provide for short term independent study for 15 schooldays pursuant to independent study requirements. If applicable, a local educational agency must provide the state or local public health or public safety order that required school closure to the Superintendent of Public Instruction.
 - b) Specifies that a local educational agency may not receive apportionment for material decreases in attendance or closures related to COVID-19, except due to COVID-19 related staffing shortages if local educational agency offers independent study to students and the following conditions are established:

- i. The local educational agency is unable to provide in-person instruction due to staffing shortages (certificated or classified) related to COVID-19.
 - ii. The local educational agency has exhausted all options for obtaining staff coverage and has consulted with their county office of education and the Superintendent in determining that staffing needs cannot be met through any option.
- 7) Makes a variety of technical changes to the A-G Learning Loss Mitigation Grant, including extending the timeframe for a grant recipient to develop an expenditure plan to April 1, 2022.
- 8) Updates the split of one-time federal stimulus funds and Proposition 98 General Fund for school re-opening and learning opportunity grants.
- 9) Allows the Commission on Teacher Credentialing to collect voluntary demographic data and self-identification data from applicants for teacher preparation programs.
- 10) Clarifies that the Commission on Teacher Credentialing may issue single subject teaching credentials for mathematics with a specified concentration.
- 11) Extends the amount of time a substitute teacher can provide instruction in a class from 30 days to 60 days.
- 12) Specifies that for the Classified School Employee Summer Assistance Program, funds appropriated for purposes of the program in any year may be used to provide \$1 of state matching funds for every \$1 dollar withheld from participating classified employee monthly paychecks.
- 13) Specifies that funds provided to local educational agencies for the Expanded Learning Opportunities Program in the 2021-22 fiscal year must be used to develop an expanded learning opportunity program or provide services in accordance with program requirements, and may also be used in the 2022-23 fiscal year. In addition, makes other clarifying amendments and increases available funding for the program by \$890,000 Proposition 98 General Fund.

Fiscal Effect: This bill appropriates an additional \$1.9 million in Proposition 98 General Fund and adjusts the split of funds between Proposition 98 General Fund and federal stimulus funds for several programs.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 168 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: Elisa Wynne

Subject: Child care

Summary: This bill makes clarifying changes and technical corrections associated with changes to child care and development programs adopted as part of the Budget Act of 2021.

Proposed Law: The 2021 Budget Act included various changes to child care and development programs; AB 168 makes amendments and corrections to statutory provisions that are necessary to implement the 2021 Budget Act. Specifically this bill makes the following changes:

- 1) Ensures Emergency Foster Bridge child care providers and migrant alternative payment programs are eligible for various pandemic relief provisions and child care funding. Provides for the allocation of \$6 million in one-time General Fund for these purposes.
- 2) Clarifies that when the Department of Social Services notifies the Joint Legislative Budget Committee (JLBC) of specified reimbursement rate methodology changes, notification must reflect the concurrence of the Department of Education, and notice of any waiver of the JLBC review timeline shall be provided to both the Department of Education and the Department of Social Services.
- 3) Makes various technical adjustments to appropriations to reflect actual federal funds available and updates encumbrance periods.

Fiscal Effect: This bill amends an appropriation of federal stimulus funds of \$579 million to provide child care and state preschool providers with pandemic relief and of this transfers \$524 million to the Department of Social Services. In addition, this bill allocates \$6 million in one-time General Fund for pandemic relief related to the Emergency Foster Bridge Program.

Support: None Received

Opposed: None Received

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No:	AB 169	Hearing Date:	September 7, 2021
Author:	Committee on Budget		
Version:	September 5, 2021 Amended		
Urgency:	Yes	Fiscal:	Yes
Consultant:	Anita Lee		

Subject: Postsecondary education trailer bill

Summary: This bill makes necessary changes to implement the higher education provisions of the Budget Act of 2021.

Proposed Law: This bill makes various statutory changes to implement the higher education provisions of the budget. Specifically, this bill:

- 1) **Child Savings Account.** Clarifies that pupils attending state special schools are eligible for the California Kids Investment and Development Savings (CaKIDS) Program, as specified.
- 2) **Middle Class Scholarship Program.** Specifies the student household income eligibility ceilings to participate in the program. Clarifies that a student must submit a Free Application for Federal Student Aid or a California Dream Act application to participate in the program. The bill also requires the University of California (UC) and California State University (CSU) to provide at least the same level of institutional financial aid for students as provided in 2021-22. Additionally, the bill requires UC and CSU to report on information regarding program participation, student loan amounts, and cost-of-attendance, among others, as specified. The bill also clarifies the award amount for students enrolled part-time.
- 3) **Golden State Teachers Grant Program.** Clarifies that students enrolled in a professional preparation program leading to a preliminary teaching credential at a qualifying institution, as specified, or a program approved by the Commission on Teacher Credentialing with a main campus location in California, is eligible to participate in the Golden State Teachers Grant Program.
- 4) **Cradle-to-Career Data System.** Makes technical changes to the Cradle-to-Career Data System created in the Budget Act of 2021. Clarifies that the data system shall comply with the federal Privacy Act of 1974, and that any personal information in the system shall not be used or disclosed except for the purposes consistent with the data system. Additionally, the trailer bill specifies that that personal data managed under the data system shall be de-identified before release to the public.
- 5) **Cohort Default Rate.** Specifies that for the 2022-23 academic year, the California Student Aid Commission shall use the three-year cohort default rate certified in 2020 for an otherwise qualifying institution.

- 6) **Cal Grant for Private Non-Profit Institutions.** Clarifies that the maximum award for Cal Grant A and B awards for students attending a private non-profit institution is \$9,220 for new and renewal recipients to conform with the Budget Act of 2021.
- 7) **Selective Service.** Removes the requirement for male students to register with the Selective Service in order to receive a Cal Grant Award. This change aligns with the federal Free Application for Federal Student Aid Simplification Act.
- 8) **Higher Education Student Housing Grant Program, and Capacity Expansion Grant Program.** Creates two new programs to support affordable student housing at the UC, CSU and Community Colleges, and campus expansion projects at UC and CSU. Appropriates \$500 million one-time General Fund in 2021-22 for student housing projects, includes legislative intent to provide \$750 million in 2022-23 and \$750 million in 2023-24 for this purpose. This appropriation and proposed funding will be divided as follows: 50 percent to CCCs, 30 percent to CSUs, and 20 percent to UCs. Creates a process for campuses to propose housing projects by October 2021 for inclusion in the subsequent budget act. Creates the campus expansion program and includes legislative intent to provide funding for this program in the future.
- 9) **Technical Changes.** Makes other technical, conforming changes to implement the provisions of the budget act.

Fiscal Effect: Appropriates \$500 million one-time to implement the Higher Education Student Housing Grant Program.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair
2021 - 2022 Regular

Bill No: AB 171 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 4, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: Scott Ogus

Subject: Health

Summary: This bill is an omnibus health trailer bill, and contains changes to implement the 2021-22 budget.

Proposed Law: This bill makes technical and clarifying statutory revisions affecting health programs necessary to implement the Budget Act of 2021. Specifically, this bill:

- 1) Authorizes the Department of Health Care Services (DHCS) to implement its expenditure plan to enhance, expand, or strengthen home- and community-based services in Medi-Cal, pursuant to funding and associated requirements of the federal American Rescue Plan Act of 2021.
- 2) Requires DHCS to report to the Legislature by January 1, 2024, the results of an independent analysis to determine whether provider networks are adequate to obtain federal approval for a housing support services benefit in the Medi-Cal program.
- 3) Extends for one year, until January 1, 2023, requirements for a Medi-Cal managed care plan to maintain a network of providers that complies with specified time and distance standards to ensure access to necessary medical care for beneficiaries.
- 4) Authorizes \$6.4 million of federal fund expenditure authority to support community mental health services, pursuant to grant funding from the federal Mental Health Block Grant.

Fiscal Effect: Authorizes \$6.4 million of federal fund expenditure authority to support community mental health services, pursuant to grant funding from the federal Mental Health Block Grant.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 172 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 As amended
Urgency: No **Fiscal:** No
Consultant: Renita Polk

Subject: Human Services

Summary: This bill makes necessary changes to implement human services related provisions of the Budget Act of 2021

Proposed Law: The bill makes the following statutory changes:

- 1) Establishes the Center for Data Insights and Innovation within the California Health and Human Services Agency. Integrates the Office of Health Information Integrity, Office of the Patient Advocate, and the Committee for the Protection of Human Subjects into the Center. Also establishes the Center for Data Insights and Innovation Fund and the Health Plan Improvement Trust Fund.
- 2) Establishes the Community Care Expansion Program that authorizes the Department of Social Services to award grants to qualified grantees to preserve or expand the capacity of residential adult and senior care facilities through the acquisition, construction, or rehabilitation of property. Grants will also be awarded to provide capitalized operating subsidy reserves to existing licensed residential adult and senior care facilities that serve at least one resident receiving Supplemental Security Income/State Supplementary Payment (SSI/SSP) or Cash Assistance Program for Immigrants (CAPI) benefits, in order to avoid the closure of facilities, and to increase the acceptance of new qualified residents.
- 3) Authorizes the Department of Social Services to administer the Career Pathways Program for providers of In-Home Supportive Services and waiver personal care services, to increase the quality of care, recruitment and retention of providers, and to provide training opportunities for career advancement in the home care and health care industries. Requires the department to determine the methodology and distribution of appropriated funds. Under the bill, provider participation in the training would be voluntary and at no cost to providers, and providers would be compensated for each hour of training. Requires the submission of an interim evaluation report to the Legislature no later than May 1, 2023, with a final evaluation of the pilot project submitted to the Legislature by December 31, 2024.
- 4) Clarifies that a qualified individual be considered a member of a child's multidisciplinary team for the purposes of accessing that child's case file.

- 5) Subject to an appropriation, requires the Department of Social Services to compile and report outcome data on the implementation of sexual and reproductive health training and education for foster youth.
- 6) Aligns recent changes made by AB 135 (Committee on Budget), Chapter 85, Statutes of 2021, relating to the special needs pregnancy allowance for CalWORKs applicants to CalWORKs recipients.
- 7) Authorizes the Department of Education and the Department of Social Services to share data for the limited purpose of administering the Pandemic-EBT food benefit program.
- 8) Requires eligible entities that receive grant funds under the Guaranteed Income Pilot Program administered by the Department of Social Services to provide benefits counseling and informational materials to individuals receive guaranteed income payments funded by the grants. Also clarifies that the commitment of additional funds required to receive grant funds may come from a governmental source.
- 9) Clarifies that when local child support agencies cease enforcement of uncollectible child support arrearages and other fees and costs assigned to the state, those cases shall be closed to the maximum extent permitted under federal regulations.

Fiscal Effect: Funding related to the changes in this bill is contained in the 2021-22 Budget Act. In addition, this bill reappropriates \$458,000 from the Budget Act of 2020 to the State Council on Developmental Disabilities.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 173 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Christopher Francis

Subject: Public Safety

Summary: Provides for statutory changes necessary to enact public safety related provisions of the Budget Act of 2021.

Background: As part of the 2021-22 fiscal year budget package, AB 173 makes statutory changes to implement the budget act.

Proposed Law: This bill makes the following statutory changes:

- 1) ***Prohibitions of weapons at the State Capitol and State Office Buildings.*** Existing law prohibits the bringing or possession of, a loaded firearm or other specified weapon, to the State Capitol and legislative offices, as specified, punishable as either a misdemeanor or a felony. This bill includes the state office building located at 1021 O Street in the City of Sacramento within these prohibitions.
- 2) ***Information access for research institutions: firearms.*** Clarifies the process and parameters of disclosure of specified information to the California Firearm Violence Research Center at UC Davis (Research Center) by the Department of Justice (DOJ) for research or statistical activities. The DOJ may at its discretion, also disclose specified information, to other nonprofit bona fide research institutions that are accredited by the United State Department of Education or the Council for Higher Education Accreditation for the study of violence prevention in the matter prescribed. Requires that any material identifying individuals to only be used for research and statistical purposes and prohibits reports or publications derived from the material from identifying any specific individuals. Requires DOJ to establish procedures for these requests and allows researchers to be charged reasonable fees related to their requests.
- 3) ***Technical amendments.*** Includes double jointing amendments to avoid chaptering issues with Senate Bill 715 (Portantino, 2021). These amendments apply to Penal Code Sections 11106 and 28220. These changes are to be operative only if this bill and SB 715 are enacted and this trailer bill is enacted last.

Fiscal Effect: This bill appropriates \$10,000 General Fund to the Department of Justice to implement provisions related to firearm information access for the purposes of research.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No:	AB 174	Hearing Date:	September 7, 2021
Author:	Committee on Budget		
Version:	September 5, 2021 As amended		
Urgency:	No	Fiscal:	Yes
Consultant:	James Hacker		

Subject: Vehicles

Summary: This bill provides the statutory framework to implement the transportation provisions contained in the 2021 budget.

Proposed Law: This bill makes the following statutory changes:

- 1) **California Vehicle Code Publication.** Deletes the requirements that the Department of Motor Vehicles publish and distribute copies of the complete text of the Vehicle Code, and makes various conforming changes.
- 2) **Drivers License Renewal Alternatives.** Suspends until January 1, 2023, the prohibition that driver's license renewal by mail for a person 70 or older, allowing for renewal through alternative channels within existing DMV rules. Existing law prohibits a driver's license renewal by mail for a person 70 or older.
- 3) **DMV Verification.** Requires the Department of Motor Vehicles to verify that an applicant's thumbprint or fingerprint is on file before issuing a driver's license or an identification card, and also requires that an original application for a driver's license or identification card be signed under penalty of perjury.
- 4) **Electronic Reporting of Vehicle Fleet Insurance.** Requires, starting January 1, 2023, that an insurer that issues commercial and fleet insurance policies to additionally submit these reports electronically. Existing law requires an insurer that issues specified private passenger liability insurance policies and coverages to submit those reports to the DMV of all motor vehicle liability policies or coverages issued, changed or terminated.
- 5) **California Highway Patrol Federal Conformity.** Makes certain changes to bring state statute into conformity with federal rules. Specifically, it limits, with respect to motor carriers, the carrier identification number requirement to those whose principal place of business is in this state, who operate from a terminal in this state or who are required to be licensed to transport hazardous materials, as specified. It also exempts rental vehicles that meet federal identification requirements from the requirements to display a motor carrier identification number.

Fiscal Effect: This bill provides \$1,630,000 from the General Fund for the San Francisco Metropolitan Transportation Authority for the Fulton Street Safety and Transit Project west of Arguello Street.

Support: None on file.

Opposed: None on file.

-- END --

SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 175 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: James Hacker

Subject: Housing: mortgages and deeds of trust: use of state property: surplus land disposal: financing programs

Summary: This bill provides the statutory framework to implement the housing provisions contained in the 2021 budget package.

Proposed Law: This bill makes the following statutory changes:

- 1) **SB 1079 Cleanup.** This bill makes the following changes to SB 1079 (Skinner), Chapter 202, Statutes of 2020, to ensure smooth implementation of the law while closing potential loopholes for fraud. Changes include:
 - a) Specifying the form of affidavit or declaration that prospective bidders in a foreclosure auction must use to attest to their status, in order to ensure that a uniform and legally binding form is used. The form is set forth in longstanding Code of Civil Procedure Section 2015.5.
 - b) Closing loopholes that might allow a foreclosed-on owner to reacquire their property, such as if the owner had held the property in a living trust prior to foreclosure.
 - c) Ensuring that foreclosure trustees have bidders' phone numbers and addresses.
 - d) Clarifying that foreclosure trustees must not provide prospective bidders with any information beyond what is specified in statute, in order to ensure an equal chance for all bidders.
 - e) Clarifying that bids, and notices of intent to bid, must be received by foreclosure trustees no later than 5 p.m. on the required date.
 - f) Providing foreclosure trustees additional time to record deeds.
 - g) Establishing an effective date of January 1, 2022 in order to give foreclosure trustees, as well as prospective bidders (including community land trusts, affordable housing providers, other nonprofits, and public entities that seek to utilize the law) time to adjust their processes.

2) **Cal Expo Lot Z.** This bill does the following:

- a) Authorizes the Cal Expo board of directors to enter a 5-year agreement with the City of Sacramento and the County of Sacramento for the use of the Cal Expo Lot Z property to provide emergency shelter and other services to individuals experiencing homelessness.
- b) Authorizes the city and county to contract with a service provider, and authorizes the city and the county to include mental health and substance abuse programs and emergency and interim housing solutions on the property.
- c) Requires the governing bodies of the city and county to each approve any agreement for the use of the Cal Expo Lot Z property at an open meeting.
- d) Requires the city and county to prioritize the provision of emergency shelter and services to persons illegally camping in areas of the American River Parkway.
- e) Provides that any agreement pursuant to these provisions are exempt from the Bushy Lake Preservation Act and the Urban American River Parkway Preservation Act.

3) **North Hollywood Project.** Provides that surplus land disposal procedures existing on December 31, 2019 apply to the Metro North Hollywood Joint Development Project if a local agency has entered into an exclusive negotiating agreement or legally binding agreement to dispose of related property as of September 2019. Provides that the disposition shall be completed no later than December 31, 2024.

4) **Homeless Housing, Assistance, and Prevention Program.** Makes technical amendments to the Homeless Housing, Assistance, and Prevention Program that will affect the third and fourth rounds of project funding provided in the 2021-22 Budget.

5) **Regional Early Action Program of 2021.** Makes technical amendments to the REAP Grant program included in AB 140(Committee on Budget), Chapter 111, Statutes of 2021, including specifying that a grant recipient shall obligate funds no later June 30, 2024, and expend funds no later than June 30, 2026. Additionally, this bill extends from June 30, 2025 to June 30, 2026, the timeline for submitting a final report for a grant recipient.

Fiscal Effect: This bill appropriates \$30 million for support of the Department of Industrial Relations for strategic enforcement focused on construction, alteration, and repair projects for publicly funded residential projects, including those funded by the Multifamily Housing Program.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 176 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 As amended
Urgency: No **Fiscal:** Yes
Consultant: Nora Brackbill

Subject: Governor's Office of Business and Economic Development: Office of Small Business Advocate: grant programs: taxation: credits: exclusions: sales and use tax

Summary: This trailer bill contains changes necessary to implement the 2021 Budget Act related to economic development, including business and taxation issues.

Proposed Law: Specifically, this bill:

- 1) ***Debt Collections.*** Limits the ability of the Franchise Tax Board (FTB) to collect court-ordered and vehicle-related debt from individuals who earn low wages or have low bank account balances, consistent with existing limitations on private debt collectors. This bill:
 - a. Sets the maximum amount of wages that can be garnished as the lesser of 25 percent of wages or 50 percent of the amount by which the individual's wages exceed a full-time (40 hours per week) minimum wage job, as specified in CCP 706.050, established by SB 501 (Wieckowski), Chapter 800, Statutes of 2015.
 - b. Specifies that an amount of money equal to the minimum basic standard of care for a family of four (as determined by the Department of Social Services and adjusted each year) is exempt from collection, as specified in CCP 704.220, established by SB 616 (Wieckowski), Chapter 522, Statutes of 2019.
- 2) ***COVID-19 Relief Grant Programs Tax Exemptions.*** Aligns the tax exemption status and grant recapture ability for the California Microbusiness COVID-19 Relief Grant Program and the California Venues Grant Program with the California Small Business COVID-19 Relief Grant Program. Specifically, this bill:
 - a. Provides a corporate tax exemption for grants from the California Microbusiness COVID-19 Relief Grant Program, which was already exempted from personal income tax.
 - b. Provides corporate and personal income tax exemptions for grants from the California Venues Grant Program.
 - c. Specifies that grants from all programs may be recaptured if the receiving entities do not meet the eligibility criteria.

- 3) **California Competes Tax Credit Reporting.** Requires Governor's Office of Business and Development (GO-Biz), not FTB, to work with the Legislative Analyst's Office and provide data to evaluate the effectiveness of the California Competes Tax Credit.
- 4) **Nonprofit Performing Arts Grant Program Clean Up.** Clarifies that nonprofit organizations with a federal 501(c)(3) designation, regardless of annual revenue, may serve as a fiscal sponsor for not-for-profit organizations without the federal designation with less than \$2 million in annual revenue, for purposes of applying for the Nonprofit Performing Arts Grant Program.
- 5) **Used Vehicle Sales Tax Clean Up.** Clarifies that used vehicle dealers pay the applicable sales taxes covered under AB 85 (Committee on Budget), Chapter 8, Statutes of 2020, including any applicable use tax imposed under the Transaction and Use Tax law, to the Department of Motor Vehicles, and provides that a motor vehicle excludes a recreational vehicle that is either truck-mounted, permanently towable on the highways without a permit or park trailer. Requires the Department of Motor Vehicles to establish a compliance schedule for the enforcement of the provisions of AB 85. Makes conforming changes and declares the changes do not constitute a change in, but are declaratory of, existing law.
- 6) **Homeless Hiring Tax Credit.** Revises and clarifies provisions relating to certification procedures for the qualified taxpayer and the employed individual.
- 7) **Film Tax Credit.**
 - a. Clarifies that the California Film Commission, not GO-Biz, is responsible for adopting regulations to implement the studio construction credit, consistent with the existing regulatory authority for the rest of the credit.
 - b. Requires the diversity workplan and reporting requirements to include ethnicity, in addition to race and gender.
- 8) **Technical and Clarifying Changes.** Makes technical and clarifying changes to the following programs housed at FTB, GO-Biz, and/or the California Office of the Small Business Advocate (CalOSBA) within GO-Biz:
 - a. California Small Business Development Technical Assistance Expansion Program.
 - b. California Small Business COVID-19 Relief Grant Program, including changes to the definition of "qualified small business".
 - c. California Microbusinesses COVID-19 Relief Grant Program.
 - d. California Venues Grant Program, including a change to the definition of "eligible independent live event" related to the duration of ticket sales.

- e. California Competes Program.
 - f. Golden State Stimulus II.
- 9) ***Other Provisions.*** In addition, this bill:
- a. Appropriates \$10,000 to CalOSBA for implementation.
 - b. Includes a severability clause.

Fiscal Effect: The provisions of this bill are necessary to implement the requirements of the 2021-22 Budget.

Support: None on file.

Opposed: None on file.

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SENATE COMMITTEE ON BUDGET AND FISCAL REVIEW

Senator Nancy Skinner, Chair

2021 - 2022 Regular

Bill No: AB 177 **Hearing Date:** September 7, 2021
Author: Committee on Budget
Version: September 5, 2021 Amended
Urgency: Yes **Fiscal:** Yes
Consultant: Christopher Francis

Subject: Public Safety: Courts

Summary: Provides for statutory changes necessary to enact public safety provisions, related to courts, of the Budget Act of 2021.

Background: As part of the 2021-22 fiscal year budget package, AB 177 makes statutory changes to implement the budget act.

Proposed Law: This bill makes the following statutory changes:

- 1) ***Elimination of criminal administrative fees and related debt relief.*** Makes the following changes:
 - a. Effective January 1, 2022 eliminates 17 criminal administrative fees.
 - b. Makes, on and after January 1, 2022, the balance of any court-imposed costs due to these fees as read on December 31, 2021 unenforceable and uncollectible and vacates any portion of a judgment imposing those fees.
 - c. Provides fiscal relief to the counties to backfill revenues lost from the repeal of those fees specified in this bill. In 2021-22, the backfill would total \$25 million General Fund for counties. In 2022-23 and ongoing, the backfill would increase to \$50 million General Fund for counties.
 - d. Makes technical amendments to AB 1869 (Committee on Budget), Chapter 92, Statutes of 2020 related to the elimination of criminal administrative fees. Makes technical amendment to AB 143 (Committee on Budget), Chapter 79, Statutes of 2021 to better enable the ability of individuals to find their record when attempting to initiate an Ability to Pay determination.
- 2) ***Court Reporter Transcript Rate Increase.*** Increases the fees for original transcripts prepared by official court reporters and court reporters pro tempore.
- 3) ***Judicial Council of California Emergency Authority in Response to the COVID-19 Pandemic.*** Codifies, until January 31, 2022, the authority to take actions necessary to respond to the emergency conditions caused by COVID-19, which was extended to the Judicial Council of California and its Chairperson in executive order N-38-20, issued by the Governor on March 27, 2020.

- 4) **Remote Technology in Civil Proceedings.** Relating to the use of remote technology in civil court proceedings:
 - a. Directs the Judicial Council to submit a report to the Legislature and the Governor by January 1, 2023 on the use of remote technology in civil actions by the trial courts. These provisions shall remain in effect only until July 1, 2023, and as of that date is repealed.
 - b. Directs the Judicial Council to convene a working group for the purpose of recommending a statewide framework for remote civil court proceedings that addresses equal and fair access to justice. These provisions shall remain in effect only until July 1, 2023, and as of that date is repealed.
- 5) **Technical amendments.** Includes double jointing amendments to avoid potential chaptering out conflicts with Assembly Bill 1281 (Blanca Rubio, 2021). These amendments apply to Penal Code Section 1203.4a. Also includes double jointing amendments to avoid potential chaptering out conflicts with Assembly Bill 898 (Lee, 2021). These amendments apply to Penal Code Section 1203.9. These changes are to be operative only if this bill, AB 1281, and AB 898 are enacted and this trailer bill is enacted last.

Fiscal Effect: In 2021-22, this bill appropriates \$25 million from the General Fund to backfill revenue to counties due to local fees repealed by this act. In the 2022–23 and each year hereafter, this bill appropriates \$50 million from the General Fund to backfill revenue loss to counties due to local fees repealed by this act. Funds that are appropriated from the General Fund are to be allocated by the Controller according to a schedule provided by the Department of Finance. It is the intent of the Legislature to pursue legislation by March 1, 2022, to finalize the funding allocation methodology for distribution.

Support: None on file.

Opposed: None on file.

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