

Home

Bill Information

California Law

Publications

Other Resources

My Subscriptions

My Favorites

AB-119 State government. (2017-2018)



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Assembly Bill No. 119

CHAPTER 21

An act to amend Sections 6253.2, 6254.3, 8754, and 100043 of, to add Section 15845.2 to, and to add Chapter 11.5 (commencing with Section 3555) to Division 4 of Title 1 of, and to repeal and add Section 15845 of, the Government Code, to add Section 21080.30 to the Public Resources Code, to amend Section 18567 of, and to add and repeal Section 6010.15 of, the Revenue and Taxation Code, to amend Section 5849.35 of the Welfare and Institutions Code, and to amend Section 288 of Chapter 31 of the Statutes of 2016, relating to state government, making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor June 27, 2017. Filed with Secretary of State June 27, 2017.]

LEGISLATIVE COUNSEL'S DIGEST

AB 119, Committee on Budget. State government.

(1) Existing law, including the Meyers-Milias-Brown Act, the Ralph C. Dills Act, the Trial Court Employment Protection and Governance Act, the Trial Court Interpreter Employment and Labor Relations Act, and the Los Angeles County Metropolitan Transportation Authority Transit Employer-Employee Relations Act, as well as provisions commonly referred to as the Educational Employment Relations Act and the Higher Education Employer-Employee Relations Act, regulates the labor relations of the state, the courts, and specified local public agencies and their employees. Existing law establishes the Public Employment Relations Board and prescribes its powers and duties in relation to these acts. These acts grant specified public employees of these entities the right to form, join, and participate in the activities of employee organizations of their choosing and requires public agency employers, among other things, to meet and confer with representatives of recognized employee organizations and exclusive representatives on terms and conditions of employment.

This bill would require the public employers regulated by the acts described above to provide the exclusive representative of those employees mandatory access to its new employee orientations. The bill would define new employee orientation as the onboarding process, whether in person, online, or through other means, pursuant to which new public employees are advised of their employment status, rights, benefits, duties, and responsibilities, or any other employment-related matters. The bill would require that an exclusive representative receive not less than 10 days' notice in advance of an orientation, except as specified. The bill would require the structure, time, and manner of exclusive representative access to be determined through mutual agreement between the employer and the exclusive representative, provided that the bill would prescribe a specified process for negotiating access, which would include compulsory interest arbitration, as defined. The bill would require the costs of arbitration to be shared, except in cases in which the public employer objects to the procedure and requests an alternative arbitrator, as specified.

This bill would require an affected public employer to provide the exclusive representative with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address of newly hired employees within 30 days of hire or by the first pay period of the month following hire. The bill also would require affected public employers to provide the exclusive representative with this information for all employees in the bargaining unit at least every 120 days, except as specified. The bill would except this information from certain provisions regarding the privacy of public records.

This bill would permit an agreement between a public employer and an exclusive representative that provides for orientations that vary from the bill's requirements for orientations, but in the absence of an agreement on orientations, the bill's requirements would apply. The bill would provide that affected public employers do not unlawfully support or favor an employee organization or encourage employees to join any organization in preference to another, as specified, by permitting presentations at new employee orientations, as described above, or consistent with a negotiated agreement. The bill would grant the Public Employment Relations Board jurisdiction over a violation of these provisions, except as provided. The bill would provide that its provisions are severable. The bill would make a statement of findings. By creating new duties for various local agencies, this bill would impose a state-mandated local program.

(2) The California Public Records Act requires state and local agencies to make public records available for inspection by the public, subject to specified criteria and with specified exceptions. The act exempts from public inspection the home addresses, home telephone numbers, personal cellular telephone numbers, and birth dates of all employees of public agencies, but authorizes disclosure of that information under specified circumstances.

This bill would extend that exemption from public inspection and authorization for disclosure to the personal email addresses of employees of public agencies unless the personal email address is used by the employee to conduct public business or is necessary to identify a person in an otherwise disclosable communication. The bill would prohibit this provision from being construed to limit the public's right to access the content of an employee's personal email that is used to conduct public business, as specified.

(3) The California Public Records Act additionally exempts from public inspection specified information regarding persons paid by the state to provide in-home supportive services. Existing law requires copies of names, addresses, home telephone numbers, and personal cellular telephone numbers of those persons to be made available, upon request, to an exclusive bargaining agent and to any labor organization seeking representation rights, as specified.

This bill would additionally require copies of personal email addresses of those persons to be made available to an exclusive bargaining agent and to any labor organization seeking representation rights.

(4) Existing law, the Dixon-Zenovich-Maddy California Arts Act of 1975, establishes an Arts Council that has specified duties related to the arts. Existing law requires the council to select a director and authorizes the council to delegate certain responsibilities to the director.

This bill would instead require the Governor to appoint the director of the Arts Council.

(5) Existing law, the California Secure Choice Retirement Savings Trust Act, establishes the California Secure Choice Retirement Savings Program, which is administered by the California Secure Choice Retirement Savings Investment Board. Existing law requires the board, prior to opening the program for enrollment, to make a report to the Governor and Legislature affirming that certain prerequisites and requirements have been met, including that the United States Department of Labor has finalized a regulation setting forth a safe harbor for savings arrangements established by states for nongovernmental employees and that the program is structured to meet the criteria of the regulation. The federal Employee Retirement Income Security Act (ERISA) regulates employee benefit plans, as defined, and generally supersedes state law, except as specified.

This bill would revise the requirements for opening the California Secure Choice Retirement Savings Program. The bill would remove requirements related to the United States Department of Labor regulation, as described above, and require that the program be structured to preclude being classified as an employee benefit plan subject to ERISA. The bill would also require the board to have defined in regulation the responsibilities of employers with respect to ERISA, as specified.

(6) The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA exempts from its requirements certain projects.

This bill would exempt actions, approvals, or authorizations provided by the State Public Works Board or the Department of Finance regarding bond issuances, capital outlay projects, or real estate transactions, as defined, from compliance with CEQA.

(7) Existing sales and use tax laws impose a tax on retailers measured by the gross receipts from the sale of tangible personal property sold at retail in this state, or on the storage, use, or other consumption in this state of tangible personal property purchased from a retailer for storage, use, or other consumption in this state. Existing law defines "sale" and "purchase" for these purposes and provides certain exclusions from those definitions.

Existing law regulates pawnbrokers by, among other things, requiring every loan made by a pawnbroker for which goods are received in pledge as security to be evidenced by a written contract, a copy of which is required to be furnished to the pledgor. Existing law requires the loan period of a loan contract to be no less than 4 months, and requires the loan contract to set forth the loan period and the date on which the loan is due and payable, and to clearly inform the pledgor of his or her right to redeem the pledge during the loan period. Existing law provides procedures by which a pawnbroker may become vested with the title to pledged property.

This bill, until January 1, 2022, would provide that "sale" and "purchase" would not include the transfer of vested property, as defined, by a pawnbroker to a person who pledged the property to the pawnbroker as security for a loan and from whom title transferred to the pawnbroker if specified requirements are met, thus excluding that transfer from imposition of sales and use tax.

(8) Existing law authorizes the Franchise Tax Board to grant a reasonable extension of time for filing any return, declaration, statement, or other document required by the Personal Income Tax Law in the manner and form determined by the Franchise Tax Board. Except as specified, existing law prohibits an extension for more than 6 months. If any taxpayer fails to make and file a return required by the Personal Income Tax Law on or before the due date of the return or the due date as extended by the Franchise Tax Board, then, unless it is shown that the failure is due to reasonable cause and not due to willful neglect, a specified penalty is required to be added. Existing law also requires a specified penalty to be imposed against any partnership required to file a return that fails to file at the prescribed time as determined with regard to any extension of time for filing, as provided.

This bill, for taxable years beginning on or after January 1, 2017, would authorize an extension for no more than 7 months for a partnership. The bill also would declare the intent of the Legislature with respect to a partnership filing an income tax return for the 2016 taxable year, as provided.

(9) Existing law, known as the No Place Like Home Program (program), requires the Department of Housing and Community Development to award \$2,000,000,000 through a competitive program among counties to finance capital costs, including, but not limited to, acquisition, design, construction, rehabilitation, or preservation, and to capitalize operating reserves, of permanent supportive housing for the target population of individuals or households who are homeless, chronically homeless, or at risk of chronic homelessness.

Existing law authorizes the California Health Facilities Financing Authority and the department to, among other things, enter into contracts to provide services pursuant to the program related to permanent supportive housing. Existing law authorizes the authority to issue taxable or tax-exempt revenue bonds in an amount not to exceed \$2,000,000,000 for these purposes and to make secured or unsecured loans to the department in connection with financing permanent supportive housing pursuant to the program.

The Mental Health Services Act (MHSA), an initiative measure enacted by the voters as Proposition 63 at the November 2, 2004, statewide general election, imposes a 1% tax on that portion of a taxpayer's taxable income that exceeds \$1,000,000 and requires that the revenue from that tax be deposited in the Mental Health Services Fund to fund various county mental health programs. Existing law establishes the Supportive Housing Program Subaccount in the Mental Health Services Fund, which is continuously appropriated to the authority to provide funds to meet its financial obligations to any of the above-described service contracts.

Under existing law, the state covenants, as specified, with the holders of any of the above-described bonds issued by the authority that it will not alter, amend, or restrict the above provisions relating to the subaccount, among other provisions, in any manner adverse to the interests of those bondholders so long as any of those bonds remain outstanding.

This bill would additionally require the state to covenant with the above-described bondholders that it will not alter, amend, or restrict provisions requiring the deposit of the revenues derived from the additional tax imposed under the MHSA into the Mental Health Services Fund in any manner adverse to the interests of those bondholders, as specified.

(10) Existing law establishes the State Project Infrastructure Fund and continuously appropriates moneys in the fund for, among other things, state projects, subject to authorization, as provided. Existing law defines "state projects" for these purposes as any planning, acquisition, design, or construction, which may include associated infrastructure, parking, landscaping, and other ancillary components, undertaken pursuant to specified law, with certain exceptions.

Existing law, upon direction of the Director of Finance to the Controller, transfers the sum of \$1,300,000,000 from the General Fund to the State Project Infrastructure Fund. Existing law requires that \$1,000,000,000 of this money be transferred on or after July 1, 2016, but no later than June 30, 2017, and the remaining \$300,000,000 be transferred on or after July 1, 2017.

This bill would reduce the amount of money transferred to the State Project Infrastructure Fund from \$1,300,000,000 to \$1,000,000,000 and eliminate the requirement that \$300,000,000 be transferred on or after July 1, 2017. The bill would transfer \$851,170,000, from the \$1,000,000,000 previously transferred to the State Project Infrastructure Fund, to the General Fund and would require the amount transferred into the General Fund to be accounted for in the 2016–17 fiscal year.

(11) The State Building Construction Act of 1955 authorizes the State Public Works Board, among other things, to construct public buildings, contract with other state agencies for the use of real property upon which to construct a public building, fix, alter, charge, and collect rentals and other charges for the use of public buildings or for the services rendered by the board, and issue certificates or revenue bonds to obtain funds to pay the cost of public buildings. The act requires all money received by the board to be deposited to the credit of the Public Buildings Construction Fund and requires 3 separate accounts to be maintained within the fund, including a construction account, a revenue account, and a sinking fund account. The act requires proceeds from the sale of certificates or revenue bonds to be deposited in the construction account, revenues, rentals, or receipts received from the operation of public buildings to be deposited in the revenue fund, and certain other revenues to be set aside in separate sinking fund accounts. The act requires the money in each revenue account to be expended for, among other things, the costs of operation and maintenance of public buildings, including administrative expenses of the board.

This bill would revise and recast those provisions by, among other things, eliminating the requirement that 3 separate accounts be maintained in the fund as provided above, and would, instead, require subfunds, accounts, and subaccounts to be maintained within the fund for the operation of the board and the performance of its obligations as provided in the applicable resolution, indenture, or other agreement. The bill would create an Expense Account within the fund into which would be deposited amounts received by the board as additional rental under any of its leases and any other money received by the board, other than proceeds of certificates or revenue bonds, as directed by the board. The bill would continuously appropriate, without regard to fiscal years, from the Expense Account to the board the amount necessary to pay for the administrative expenses and costs associated with the implementation of the act.

(12) Existing constitutional provisions require that a statute that limits the right of access to the meetings of public bodies or the writings of public officials and agencies be adopted with findings demonstrating the interest protected by the limitation and the need for protecting that interest.

This bill would make legislative findings to that effect.

(13) The California Constitution requires local agencies, for the purpose of ensuring public access to the meetings of public bodies and the writings of public officials and agencies, to comply with a statutory enactment that amends or enacts laws relating to public records or open meetings and contains findings demonstrating that the enactment furthers the constitutional requirements relating to this purpose.

This bill would make legislative findings to that effect.

(14) The Bradley-Burns Uniform Local Sales and Use Tax Law authorizes counties and cities to impose local sales and use taxes in conformity with the Sales and Use Tax Law, and existing laws authorize districts, as specified, to impose transactions and use taxes in accordance with the Transactions and Use Tax Law, which generally conforms to the Sales and Use Tax Law. Amendments to the Sales and Use Tax Law are automatically incorporated into the local tax laws.

Existing law requires the state to reimburse counties and cities for revenue losses caused by the enactment of sales and use tax exemptions.

This bill would provide that, notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse any local agencies for sales and use tax revenues lost by them pursuant to this bill.

(15) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

(16) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill. Vote: majority Appropriation: yes Fiscal Committee: yes Local Program: yes

- **SECTION 1.** The Legislature finds and declares that Chapter 348 of the Statutes of 2016, beginning with returns for the 2016 taxable year, accelerated by one month the original filing due date for returns required to be filed by partnerships under Section 18633 of the Revenue and Taxation Code and by limited liability companies classified as partnerships under Section 18633.5 of the Revenue and Taxation Code. Due to the challenges of complying with the accelerated filing due date, coupled with the inherent complexities of preparing partnership returns, it is the intent of the Legislature, for the 2016 taxable year only, that the Franchise Tax Board presume reasonable cause and not willful neglect in the case of any partnership that meets both of the following:
- (a) The partnership return for taxable year 2016 is filed by the extended due date under former law, which is October 15, 2017, for a calendar year partnership, or by the 15th day of the 10th month following the close of the taxable year of the partnership in the case of fiscal year filers.
- (b) The partnership requests relief, in the form and manner specified by the Franchise Tax Board, from the imposition of either or both the delinquent filing penalty under Section 19131 of the Revenue and Taxation Code, or the failure of a partnership to comply with the filing requirements penalty under Section 19172 of the Revenue and Taxation Code. The Legislature intends that this relief be implemented in a streamlined manner.
- SEC. 2. Chapter 11.5 (commencing with Section 3555) is added to Division 4 of Title 1 of the Government Code, to read:

CHAPTER 11.5. Public Employee Communication

- **3555.** The Legislature finds and declares that the ability of an exclusive representative to communicate with the public employees it represents is necessary to ensure the effectiveness of state labor relations statutes, and the exclusive representative cannot properly discharge its legal obligations unless it is able to meaningfully communicate through cost-effective and efficient means with the public employees on whose behalf it acts. In most cases, that communication includes an opportunity to discuss the rights and obligations created by the contract and the role of the representative, and to answer questions. That communication is necessary for harmonious public employment relations and is a matter of statewide concern. Therefore, it is the Legislature's intent that recognized exclusive representatives of California's public employees be provided meaningful access to their represented members as described in this chapter unless expressly prohibited by law.
- **3555.5.** (a) This chapter shall only apply to public employers subject to Chapter 10 (commencing with Section 3500), Chapter 10.3 (commencing with Section 3512), Chapter 10.7 (commencing with Section 3540), or Chapter 12 (commencing with Section 3560) of, or Chapter 7 (commencing with Section 71600) or Chapter 7.5 (commencing with Section 71800) of Title 8 of, this code, or Chapter 7 (commencing with Section 99560) of Part 11 of Division 10 of the Public Utilities Code.
- (b) For purposes of this chapter:
 - (1) "Exclusive representative" means the exclusive representative or recognized employee organization for the bargaining unit.
 - (2) "Interest arbitration" means a process whereby an employer and an exclusive representative submit a dispute concerning the terms of access to new employee orientations for resolution to a third-party arbitrator who is then authorized to approve either party's proposal in its entirety, to approve a proposal using both the employer's and exclusive representative's final proposals, or to modify the proposals by the parties.
 - (3) "New employee orientation" means the onboarding process of a newly hired public employee, whether in person, online, or through other means or mediums, in which employees are advised of their employment status, rights, benefits, duties and responsibilities, or any other employment-related matters.
 - (4) "Newly hired public employee" means any employee, whether permanent, temporary, full time, part time, or seasonal, hired by a public employer, to which this chapter applies and who is still employed as of the date of the new employee orientation.
- (c) (1) Except as provided in paragraph (2), the Public Employment Relations Board shall have jurisdiction over violations of this chapter. The powers and duties of the board described in Section 3541.3 shall apply, as appropriate, to this chapter.
 - (2) The employee relations commissions established by the County of Los Angeles and the City of Los Angeles shall have jurisdiction over violations of this chapter in the County of Los Angeles and the City of Los Angeles, respectively.
- **3556.** Each public employer described in subdivision (a) of Section 3555.5 shall provide the exclusive representative mandatory access to its new employee orientations. The exclusive representative shall receive not less than 10 days' notice in advance of an orientation, except that a shorter notice may be provided in a specific instance where there is an urgent need critical to the employer's operations that was not reasonably foreseeable. The structure, time, and manner of exclusive representative access shall be determined through mutual agreement between the employer and the exclusive representative, subject to the requirements of Section 3557.

- **3557.** (a) Except as provided in subdivision (g), upon request of the employer or the exclusive representative, the parties shall negotiate regarding the structure, time, and manner of the access of the exclusive representative to a new employee orientation. The failure to reach agreement on the structure, time, and manner of the access shall be subject to compulsory interest arbitration pursuant to this section.
- (b) (1) (A) Except as provided in subparagraph (B), when negotiating access to a new employee orientation, if any dispute has not been resolved within 45 days after the first meeting of the parties, or within 60 days after the initial request to negotiate, whichever comes first, either party may make a demand for compulsory interest arbitration, and if a demand is made, the procedure prescribed by this subdivision shall apply. The arbitrator selection process described in paragraph (2) shall commence not later than 14 days prior to the end of the negotiation period provided in this subdivision. A party shall not submit any proposal to compulsory interest arbitration that was not the parties' final proposal during the parties' negotiations. In the case of a school district employer whose administrative offices are closed during the summer, the timeline on this subdivision shall commence on the first day that the district administrative office reopens.
 - (B) Notwithstanding subparagraph (A), the parties may mutually agree to submit their dispute to compulsory interest arbitration at any time.
 - (2) The appointment of an arbitrator for compulsory interest arbitration shall be made by the State Mediation and Conciliation Service using its process to obtain a panel of arbitrators, except as provided in paragraph (4). Within seven days of receipt of a request for a panel, the State Mediation and Conciliation Service shall send the parties a list of seven arbitrators selected from its roster. Within seven days following the receipt of the list, the parties shall make their selection. Unless the parties agree on an alternate selection procedure, they shall alternatively strike one name from the list provided by the service until only one name remains. A coin toss shall determine which party shall strike the first name. In lieu of this process, the parties may mutually select any individual to serve as the arbitrator. Any party that fails to participate in the selection of an arbitrator within the prescribed period waives its right to strike names from the list. Interest arbitration shall commence either on the arbitrator's earliest available date or any other date to which the parties agree, and shall be completed within not less than 30 days. The decision of the arbitrator shall be issued within 10 days and shall be final and binding on the parties. The decision shall provide the exclusive representative with reasonable access to new employee orientations. The arbitrator shall consider, weigh, and be guided by the following criteria:
 - (A) The ability of the exclusive representative to communicate with the public employees it represents.
 - (B) The legal obligations of the exclusive representative to the public employees.
 - (C) State, federal, and local laws that are applicable to the employer.
 - (D) Stipulations of the parties.
 - (E) The interests and welfare of the public and the financial condition of the public agency.
 - (F) The structure, time, and manner of access of an exclusive representative to a new employee orientation in comparable public agencies, including the access provisions in other memoranda of understanding or collective bargaining agreements containing those provisions.
 - (G) The Legislature's findings and declarations under Section 3555.
 - (H) Any other facts that are normally or traditionally taken into consideration in establishing the structure, time, and manner of access of an exclusive representative to a new employee orientation.
 - (3) The parties shall equally share all costs of arbitration.
 - (4) If a city or county objects to the procedure for appointment of an arbitrator pursuant to paragraph (2), that city or county, within five days of a demand for arbitration by the exclusive representative, may request that the Public Employment Relations Board appoint a PERB Administrative Law Judge or other PERB employee to serve as the arbitrator in lieu of an arbitrator appointed by the State Mediation and Conciliation Service. The city or county shall pay for the cost of that arbitrator. The board shall appoint the arbitrator within five days of receiving that request. The same procedures, criteria, and timeline for arbitrations set forth in paragraph (2) shall apply.
- (c) During the period between the effective date of this section and the expiration of an existing memorandum of understanding or collective bargaining agreement between the parties, a request to meet and confer pursuant to subdivision (a) shall reopen the existing memorandum of understanding or collective bargaining agreement solely for the limited purpose of negotiating an agreement regarding access of the exclusive representative to new employee orientations. Either party may elect to negotiate a side letter or similar agreement in lieu of reopening the existing memorandum of understanding or collective bargaining

agreement. This section, however, does not abrogate existing agreements between public agencies and recognized employee organizations.

- (d) This section does not prohibit agreements between a public employer and an exclusive representative that provide for new employee orientations that vary from the requirements of this chapter. If such an agreement is negotiated, the requirements of this chapter shall not apply to the extent that they are inconsistent with the agreement. In the absence of a mutual agreement regarding new employee orientations, all of the requirements of this chapter shall apply.
- (e) A public employer identified in subdivision (a) of Section 3555.5 does not unlawfully support or favor an employee organization or encourage employees to join any organization in preference to another as prohibited by subdivision (d) of Section 3506.5, subdivision (d) of Section 3519, subdivision (d) of Section 3543.5, or subdivision (d) of Section 3571 of this code, or subdivision (d) of Section 99563.7 of the Public Utilities Code, or any other state law, by permitting a recognized employee organization or an exclusive representative the opportunity to present at new employee orientations as required by this section or consistent with a negotiated agreement pursuant to this section.
- (f) This section is not intended to modify the scope of bargaining or representation under any applicable employer-employee relations statute.
- (g) A provision in a memorandum of understanding reached pursuant to Section 3517.5, and in effect on the effective date of the act adding this section, regarding the access of an exclusive representative to a new employee orientation shall control for the duration of that agreement, and the rights and duties established by this section shall apply only upon expiration of the agreement. The provisions of Section 12301.24 of the Welfare and Institutions Code regarding the access of representatives of a recognized employee organization to an orientation shall control with respect to public employers and exclusive representatives who are governed by the provisions of that section.
- **3558.** Subject to the exceptions provided here, the public employer shall provide the exclusive representative with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses on file with the employer, and home address of any newly hired employee within 30 days of the date of hire or by the first pay period of the month following hire, and the public employer shall also provide the exclusive representative with a list of that information for all employees in the bargaining unit at least every 120 days unless more frequent or more detailed lists are required by an agreement with the exclusive representative. The information identified in this section shall be provided to the exclusive representative regardless of whether the newly hired public employee was previously employed by the public employer. The information under this section shall be provided in a manner consistent with Section 6254.3 and in a manner consistent with Section 6207 for a participant in the address confidentiality program established pursuant to Chapter 3.1 (commencing with Section 6205) of Division 7. The provision of information under this section shall be consistent with the employee privacy requirements described in County of Los Angeles v. Los Angeles County Employee Relations Com. (2013) 56 Cal.4th 905. This section does not preclude a public employer and exclusive representative from agreeing to a different interval within which the public employer provides the exclusive representative with the name, job title, department, work location, work, home, and personal cellular telephone numbers, personal email addresses, and home address of any newly hired employee or member of the bargaining unit.
- **3559.** The provisions of this chapter are severable. If any provision of this chapter or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.
- **SEC. 3.** Section 6253.2 of the Government Code, as amended by Section 1 of Chapter 830 of the Statutes of 2016, is amended to read:
- **6253.2.** (a) Notwithstanding any other provision of this chapter to the contrary, information regarding persons paid by the state to provide in-home supportive services pursuant to Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code, or services provided pursuant to Section 14132.95, 14132.952, or 14132.956 of the Welfare and Institutions Code, is not subject to public disclosure pursuant to this chapter, except as provided in subdivision (b).
- (b) Copies of names, addresses, home telephone numbers, personal cellular telephone numbers, and personal email addresses of persons described in subdivision (a) shall be made available, upon request, to an exclusive bargaining agent and to any labor organization seeking representation rights pursuant to Section 12301.6 or 12302.25 of the Welfare and Institutions Code or the In-Home Supportive Services Employer-Employee Relations Act (Title 23 (commencing with Section 110000)). This information shall not be used by the receiving entity for any purpose other than the employee organizing, representation, and assistance activities of the labor organization.
- (c) This section applies solely to individuals who provide services under the In-Home Supportive Services Program (Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code), the Personal Care Services Program pursuant to Section 14132.95 of the Welfare and Institutions Code, the In-Home Supportive Services Plus

Option pursuant to Section 14132.952 of the Welfare and Institutions Code, or the Community First Choice Option pursuant to Section 14132.956 of the Welfare and Institutions Code.

- (d) Nothing in this section is intended to alter or shall be interpreted to alter the rights of parties under the In-Home Supportive Services Employer-Employee Relations Act (Title 23 (commencing with Section 110000)) or any other labor relations law.
- (e) This section shall be inoperative if the Coordinated Care Initiative becomes inoperative pursuant to Section 34 of the act that added this subdivision.
- **SEC. 4.** Section 6253.2 of the Government Code, as amended by Section 2 of Chapter 830 of the Statutes of 2016, is amended to read:
- **6253.2.** (a) Notwithstanding any other provision of this chapter to the contrary, information regarding persons paid by the state to provide in-home supportive services pursuant to Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code or personal care services pursuant to Section 14132.95 of the Welfare and Institutions Code, is not subject to public disclosure pursuant to this chapter, except as provided in subdivision (b).
- (b) Copies of names, addresses, home telephone numbers, personal cellular telephone numbers, and personal email addresses of persons described in subdivision (a) shall be made available, upon request, to an exclusive bargaining agent and to any labor organization seeking representation rights pursuant to subdivision (c) of Section 12301.6 or Section 12302.25 of the Welfare and Institutions Code or Chapter 10 (commencing with Section 3500) of Division 4 of Title 1. This information shall not be used by the receiving entity for any purpose other than the employee organizing, representation, and assistance activities of the labor organization.
- (c) This section applies solely to individuals who provide services under the In-Home Supportive Services Program (Article 7 (commencing with Section 12300) of Chapter 3 of Part 3 of Division 9 of the Welfare and Institutions Code) or the Personal Care Services Program pursuant to Section 14132.95 of the Welfare and Institutions Code.
- (d) Nothing in this section is intended to alter or shall be interpreted to alter the rights of parties under the Meyers-Milias-Brown Act (Chapter 10 (commencing with Section 3500) of Division 4) or any other labor relations law.
- (e) This section shall be operative only if Section 1 of the act that added this subdivision becomes inoperative pursuant to subdivision (e) of that section.
- SEC. 5. Section 6254.3 of the Government Code is amended to read:
- **6254.3.** (a) The home addresses, home telephone numbers, personal cellular telephone numbers, and birth dates of all employees of a public agency shall not be deemed to be public records and shall not be open to public inspection, except that disclosure of that information may be made as follows:
 - (1) To an agent, or a family member of the individual to whom the information pertains.
 - (2) To an officer or employee of another public agency when necessary for the performance of its official duties.
 - (3) To an employee organization pursuant to regulations and decisions of the Public Employment Relations Board, except that the home addresses and any phone numbers on file with the employer of employees performing law enforcement-related functions, and the birth date of any employee, shall not be disclosed.
 - (4) To an agent or employee of a health benefit plan providing health services or administering claims for health services to public agencies and their enrolled dependents, for the purpose of providing the health services or administering claims for employees and their enrolled dependents.
- (b) (1) Unless used by the employee to conduct public business, or necessary to identify a person in an otherwise discloseable communication, the personal email addresses of all employees of a public agency shall not be deemed to be public records and shall not be open to public inspection, except that disclosure of that information may be made as specified in paragraphs (1) to (4), inclusive, of subdivision (a).
 - (2) This subdivision shall not be construed to limit the public's right to access the content of an employee's personal email that is used to conduct public business, as decided by the California Supreme Court in City of San Jose v. Superior Court (2017) 2 Cal.5th 608.
- (c) Upon written request of any employee, a public agency shall not disclose the employee's home address, home telephone number, personal cellular telephone number, personal email address, or birth date pursuant to paragraph (3) of subdivision (a)

and an agency shall remove the employee's home address, home telephone number, and personal cellular telephone number from any mailing list maintained by the agency, except if the list is used exclusively by the agency to contact the employee.

- **SEC. 6.** Section 8754 of the Government Code is amended to read:
- **8754.** The Governor shall appoint a director for the Arts Council. The council may delegate to the director the responsibilities for carrying out council policy.

The director shall assist the council in the carrying out of its work, be responsible for the hiring of council staff, including, but not limited to, deputy directors, be responsible for the management and administration of the council staff, and perform other duties as directed by the council.

- SEC. 7. Section 15845 of the Government Code is repealed.
- SEC. 8. Section 15845 is added to the Government Code, to read:
- **15845.** (a) All money received by the board from whatever source derived shall be deposited in the State Treasury to the credit of the Public Buildings Construction Fund, which is hereby created and appropriated for the purposes hereinafter provided. There shall be maintained, within the fund, subfunds, accounts, and subaccounts, as necessary, for the operation of the board and the performance of its obligations as provided in the applicable resolution, indenture, or other agreement.
- (b) There shall be deposited in the fund to the credit of the respective series of certificates or revenue bonds authorized under the provisions of this part, the proceeds from the sale thereof. The money so deposited shall be expended, for the purposes authorized by this part, or as provided in the applicable resolution, indenture, or other agreement, for the cost of public buildings, and all additional amounts authorized by the board in accordance with Section 15849.6.
- (c) All revenues, rentals, or receipts received by the board, except those deposited in the Expense Account established by Section 15845.2, shall be set aside at regular intervals as provided in the applicable resolution, indenture, or other agreement for each series of certificates or revenue bonds for the payment of interest and principal upon those certificates or revenue bonds as they fall due, or may be applied to an early redemption of those certificates or revenue bonds. Any revenues, rentals, or receipts remaining after the scheduled payment of principal and interest on a series in a year may be applied to any lawful purpose as determined by the board to the extent permitted in the applicable resolution, indenture, or other agreement for that series.
- SEC. 9. Section 15845.2 is added to the Government Code, to read:
- **15845.2.** (a) There is hereby created within the Public Buildings Construction Fund an Expense Account into which will be deposited amounts received by the board as additional rental under any of its leases and any other money received by the board, other than proceeds of certificates or revenue bonds, as directed by the board.
- (b) Notwithstanding Section 13340, there is hereby continuously appropriated, without regard to fiscal years, from the Expense Account to the board the amount necessary to pay for the administrative expenses and costs associated with the implementation of this part.
- **SEC. 10.** Section 100043 of the Government Code is amended to read:
- **100043.** (a) The board shall not implement the program if the IRA arrangements offered fail to qualify for the favorable federal income tax treatment ordinarily accorded to IRAs under the Internal Revenue Code, or if it is determined that the program is an employee benefit plan under the federal Employee Retirement Income Security Act.
- (b) (1) Prior to opening the program for enrollment, the board shall report to the Governor and Legislature the specific date on which the program will start to enroll program participants and that the following prerequisites and requirements for the program have been met:
 - (A) The program is structured in a manner to keep the program from being classified as an employee benefit plan subject to the federal Employee Retirement Income Security Act.
 - (B) The payroll deduction IRA arrangements offered by the program qualify for the favorable federal income tax treatment ordinarily accorded to IRA arrangements under the Internal Revenue Code.
 - (C) The board has defined in regulation the roles and responsibilities of employers in a manner to keep the program from being classified as an employee benefit plan subject to the federal Employee Retirement Income Security Act.

- (D) The board has adopted a third-party administrator operational model that limits employer interaction and transactions with the employee to the extent feasible.
- (2) The report required by paragraph (1) shall be submitted in compliance with Section 9795.
- SEC. 11. Section 21080.30 is added to the Public Resources Code, to read:
- **21080.30.** (a) For purposes of this section, "real estate transaction" means the acquisition or disposition of any interest in real property.
- (b) This division does not apply to any action, approval, or authorization provided by the State Public Works Board or the Department of Finance regarding any bond issuance, capital outlay project, or real estate transaction.
- SEC. 12. Section 6010.15 is added to the Revenue and Taxation Code, to read:
- **6010.15.** (a) "Sale" and "purchase" for the purposes of this part do not include the transfer of title to vested property by a pawnbroker to a person who pledged the property to the pawnbroker as security for a loan and from whom title to the property transferred to the pawnbroker pursuant to Section 21201 of the Financial Code, if all of the following requirements are met:
 - (1) The transfer occurs no more than six months after title to the property transferred to the pawnbroker from the person pursuant to Section 21201 of the Financial Code.
 - (2) As consideration for the transfer of the property, the person is required to pay the pawnbroker only the remaining unpaid balance of the loan, including accrued charges and interest, as of the date the pawnbroker becomes vested with title to the property, together with one of the following:
 - (A) For an original loan amount not exceeding two thousand four hundred ninety-nine dollars and ninety-nine cents (\$2,499.99), charges and interest allowable under the loan pursuant to Chapter 2 (commencing with Section 21200) of Division 8 of the Financial Code, from the date the pawnbroker is vested with title to the property to the date of the transfer to the person who pledged the property.
 - (B) For an original loan amount of two thousand five hundred dollars (\$2,500) or more, charges and interest due in accordance with the last monthly contractual interest rate, from the date the pawnbroker is vested with title to the property until the date of the transfer to the person who pledged the property.
 - (3) The person has proof, such as a receipt or similar document provided to the purchaser, that the person originally paid sales tax on the item.
- (b) As used in this section:
 - (1) "Pawnbroker" has the meaning described in Section 21000 of the Financial Code.
 - (2) "Vested property" has the meaning described in subdivision (b) of Section 21002 of the Financial Code.
- (c) This section shall become inoperative and shall be repealed on January 1, 2022.
- SEC. 13. Section 18567 of the Revenue and Taxation Code is amended to read:
- **18567.** (a) (1) The Franchise Tax Board may grant a reasonable extension of time for filing any return, declaration, statement, or other document required by Part 10 (commencing with Section 17001) or this part in the manner and form as the Franchise Tax Board may determine. Except as provided in paragraph (2), no extension shall be for more than six months.
 - (2) (A) In the case of a taxpayer residing or traveling abroad, returns shall be filed no later than the 15th day of the sixth month following the close of the taxable year, unless the requirements for extension have been fulfilled on or before that date.
 - (B) In the case of a partnership required to file a return under Section 18633 or 18633.5, the extension shall be for no more than seven months.
- (b) An extension of time granted pursuant to this section is not an extension of time for payment of tax required to be paid on or before the due date of the return without regard to extension. Underpayment of tax penalties shall be imposed as provided by law without regard to any extension granted under this section.
- (c) A reasonable extension for payment of tax required by this part may be granted by the Franchise Tax Board whenever in its judgment good cause exists.

(d) The amendments made to this section by the act adding this subdivision shall apply to returns required to be filed for taxable years beginning on or after January 1, 2017.

SEC. 14. Section 5849.35 of the Welfare and Institutions Code is amended to read:

5849.35. (a) The authority may do all of the following:

- (1) Consult with the commission and the State Department of Health Care Services concerning the implementation of the No Place Like Home Program, including the review of annual reports provided to the authority by the department pursuant to Section 5849.11.
- (2) Enter into one or more contracts with the department for the department to provide, and the authority to pay the department for providing, services described in Sections 5849.7, 5849.8, and 5849.9, related to permanent supportive housing for the target population. Before entering into any contract pursuant to this paragraph, the executive director of the authority shall transmit to the commission a copy of the contract in substantially final form. The contract shall be deemed approved by the commission unless it acts within 10 days to disapprove the contract.
- (3) On or before June 15 and December 15 of each year, the authority shall certify to the Controller the amounts the authority is required to pay as provided in Section 5890 for the following six-month period to the department pursuant to any service contract entered into pursuant to paragraph (2).
- (b) The department may do all of the following:
 - (1) Enter into one or more contracts with the authority to provide services described in Sections 5849.7, 5849.8, and 5849.9, related to permanent supportive housing for the target population. Payments received by the department under any service contract authorized by this paragraph shall be used, before any other allocation or distribution, to repay loans from the authority pursuant to Section 15463 of the Government Code.
 - (2) Enter into one or more loan agreements with the authority as security for the repayment of the revenue bonds issued by the authority pursuant to Section 15463 of the Government Code. The department shall deposit the proceeds of these loans, excluding any refinancing loans to redeem, refund, or retire bonds, into the fund. The department's obligations to make payments under these loan agreements shall be limited obligations payable solely from amounts received pursuant to its service contracts with the authority.
 - (3) The department may pledge and assign its right to receive all or a portion of the payments under the service contracts entered into pursuant to paragraph (1) directly to the authority or its bond trustee for the payment of principal, premiums, if any, and interest under any loan agreement authorized by paragraph (2).
- (c) The Legislature hereby finds and declares both of the following:
 - (1) The consideration to be paid by the authority to the department for the services provided pursuant to the contracts authorized by paragraph (2) of subdivision (a) and paragraph (1) of subdivision (b) is fair and reasonable and in the public interest.
 - (2) The service contracts and payments made by the authority to the department pursuant to a service contract authorized by paragraph (2) of subdivision (a) and paragraph (1) of subdivision (b) and the loan agreements and loan repayments made by the department to the authority pursuant to a loan agreement authorized by paragraph (2) of subdivision (b) shall not constitute a debt or liability, or a pledge of the faith and credit, of the state or any political subdivision.
- (d) The state hereby covenants with the holders from time to time of any bonds issued by the authority pursuant to Section 15463 of the Government Code that it will not alter, amend, or restrict the provisions of this section, subdivision (f) of Section 5890, subdivision (b) of Section 5891, Section 19602.5 of the Revenue and Taxation Code, or any other provision requiring the deposit of the revenues derived from the additional tax imposed under Section 17043 of the Revenue and Taxation Code into the Mental Health Services Fund in any manner adverse to the interests of those bondholders so long as any of those bonds remain outstanding. The authority may include this covenant in the resolution, indenture, or other documents governing the bonds.
- (e) Agreements under this section are not subject to, and need not comply with, the requirements of any other law applicable to the execution of those agreements, including, but not limited to, the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).
- (f) Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code shall not apply to any contract entered into between the authority and the department under this section.

SEC. 15. Section 288 of Chapter 31 of the Statutes of 2016 is amended to read:

- **SEC. 288.** (a) The sum of one billion dollars (\$1,000,000,000) is hereby transferred, upon direction of the Director of Finance to the Controller, from the General Fund to the State Project Infrastructure Fund established by Section 14692 of the Government Code. The money transferred pursuant to this subdivision shall be transferred on or after July 1, 2016, but no later than June 30, 2017.
- (b) The sum of eight hundred fifty-one million one hundred seventy thousand dollars (\$851,170,000) is hereby transferred, from the amount transferred to the State Project Infrastructure Fund pursuant to subdivision (a), to the General Fund and shall be accounted for in the 2016–17 fiscal year.
- **SEC. 16.** The Legislature finds and declares that Section 11 of this act, which adds Section 21080.30 to the Public Resources Code, does not constitute a change in, but is declaratory of, existing law.
- **SEC. 17.** The Legislature finds and declares that Section 5 of this act, which amends Section 6254.3 of the Government Code, imposes a limitation on the public's right of access to the meetings of public bodies or the writings of public officials and agencies within the meaning of Section 3 of Article I of the California Constitution. Pursuant to that constitutional provision, the Legislature makes the following findings to demonstrate the interest protected by this limitation and the need for protecting that interest:

In order to protect the privacy and well-being of state and local employees, it is necessary to limit access to their personal and emergency contact information.

SEC. 18. The Legislature finds and declares that Section 2 of this act, which adds Section 3558 to the Government Code, and Sections 3, 4, and 5 of this act, which amend Sections 6253.2 and 6254.3 of the Government Code, further, within the meaning of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the purposes of that constitutional section as it relates to the right of public access to the meetings of local public bodies or the writings of local public officials and local agencies. Pursuant to paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution, the Legislature makes the following findings:

In order for exclusive representatives to discharge their legal duties and communicate with public employees, it is necessary that public agencies provide information regarding those public employees to exclusive representatives.

In protecting the privacy and well-being of state and local employees, by appropriately limiting general access to their personal and emergency contact information, this bill furthers the purposes of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution.

- **SEC. 19.** Notwithstanding Section 2230 of the Revenue and Taxation Code, no appropriation is made by this act and the state shall not reimburse cities and counties for any sales and use tax revenues lost by them under this act.
- **SEC. 20.** No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act would result from a legislative mandate that is within the scope of paragraph (7) of subdivision (b) of Section 3 of Article I of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

SEC. 21. This act is a bill providing for appropriations related to the Budget Bill within the meaning of subdivision (e) of Section 12 of Article IV of the California Constitution, has been identified as related to the budget in the Budget Bill, and shall take effect immediately.