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SB-139 Golden State Stimulus II: Golden State Stimulus. (2021-2022)

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Senate Bill No. 139

CHAPTER 71

An act to amend Section 12419.3.1 of the Government Code, to amend Section 19265 of, and to amend and repeal Sections 17131.11 and 19554.1 of, the Revenue and Taxation Code, and to amend and repeal Section 8150 of, and to add and repeal Section 8150.2 of, the Welfare and Institutions Code, relating to economic relief, and making an appropriation therefor, to take effect immediately, bill related to the budget.

[Approved by Governor July 12, 2021. Filed with Secretary of State July 12, 2021.]

LEGISLATIVE COUNSEL'S DIGEST

SB 139, Committee on Budget and Fiscal Review. Golden State Stimulus II: Golden State Stimulus.

(1) Existing law authorizes various forms of relief for low-income Californians, including a Golden State Stimulus payment, certain tax benefits, and public assistance programs. Existing law also provides various forms of assistance to those Californians who have been impacted by the COVID-19 emergency.

This bill would authorize the Controller to make one-time Golden State Stimulus II payments of specified amounts to qualified recipients, as defined. The bill would require the Controller to transfer a specified amount to the Golden State Stimulus Emergency Fund for the purpose of making these payments, and would continuously appropriate the funds to the Controller for that purpose. The bill would require the Controller to redeposit all payments that are returned to the fund, and would provide that any unused moneys remaining in the fund as of June 1, 2024, would be transferred to the General Fund.

Existing law limits the collection and use of taxpayer information and provides that any unauthorized use of this information is punishable as a misdemeanor.

This bill would require the Franchise Tax Board to provide tax returns or return information necessary for the Controller to make rebate payments, and would make the information received by the Controller subject to limitation on the collection and use of that information. By expanding the scope of a crime, this bill would impose a state-mandated local program.

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 no reimbursement is required by this act for a specified reason.

(2) Existing law requires the Controller to state an account with persons that receive funds or property belonging to the state and fail to properly render account thereof to the state, and persons that fail to pay to the State Treasury any money belonging to the state. Existing law requires the Controller to offset delinquent accounts against personal income tax refunds.

This bill would, until January 1, 2023, prohibit the Controller from offsetting delinquent accounts with the tax rebate payment authorized by this bill.

(3) Existing law authorizes the Franchise Tax Board, as part of its administrative duties with respect to the collection of taxes, to seize assets of a delinquent taxpayer. Existing law authorizes the board to issue an order to specified financial institutions, persons, and entities, including an officer or department of the state, to withhold and remit liquid assets of a delinquent taxpayer in order to satisfy the tax obligations of that taxpayer. Existing law, until January 1, 2022, prohibits the Franchise Tax Board from issuing an order to withhold and remit any amounts from stimulus payments made pursuant to specified provisions of law.

This bill would extend this prohibition to the payment authorized by this bill for liabilities owed by the eligible recipient pursuant to specified provisions. The bill would extend the operation of this provision to January 1, 2023.

(4) The Personal Income Tax Law imposes a tax on individual taxpayers measured by the taxpayer's taxable income for the taxable year, but, in modified conformity with federal income tax laws, allows various exclusions from gross income. Existing law requires any bill authorizing a new tax expenditure, as defined to include exclusions from income, to contain, among other things, specific goals, purposes, and objectives that the tax credit will achieve, detailed performance indicators, and data collection requirements.

This bill would exclude the payment authorized by this bill from the gross income of qualified recipients for personal income tax purposes. The bill would also include additional information required for any bill authorizing a new tax expenditure.

(5) Existing law authorizes the Controller to make a one-time Golden State Stimulus payment to each qualified recipient, as defined, of an applicable amount, as specified, in a form and manner determined by the Franchise Tax Board. That law defines qualified recipient, in part, as a specified individual who receives a tax credit pursuant to a specified provision of law by November 15, 2021. Existing law establishes the Golden State Stimulus Emergency Fund, a continuously appropriated fund, for the purposes of making these one-time payments.

This bill would revise the definition of qualified recipient for purposes of the Golden State Stimulus payment to include a specified individual who receives a tax credit pursuant to specified provision of law on an individual tax return filed by February 15, 2022. By expanding the class of people eligible to receive a Golden State Stimulus Payment, this bill would make an appropriation. The bill would also require the Controller, with exceptions, to make the Golden State Stimulus payments by July 15, 2022. The bill would require the Controller to redeposit all Golden State Stimulus payments returned into the Golden State Stimulus Emergency Fund.

(6) This bill would also make findings and declarations related to a gift of public funds.

(7) The California Constitution generally prohibits the total annual appropriations subject to limitation of the state and each local government from exceeding the appropriations limit of the entity of government for the prior fiscal year, adjusted for the change in the cost of living and the change in population, and prescribes procedures for making adjustments to the appropriations limit. The California Constitution makes certain specified appropriations exempt from this total annual limit if certain requirements are satisfied, including appropriations approved by a $\frac{2}{3}$ vote of the Legislature relating to an emergency declared by the Governor.

This bill would provide that the appropriations made by the bill are appropriations relating to the state of emergency declared by the Governor on March 4, 2020, relating to the COVID-19 pandemic, and pursuant to the above-described constitutional provision are not subject to the annual appropriations limit set by the California Constitution when passed by a $\frac{2}{3}$ vote of the Legislature.

(8) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.
Vote: 2/3 Appropriation: yes Fiscal Committee: yes Local Program: yes

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 12419.3.1 of the Government Code is amended to read:

12419.3.1. (a) Notwithstanding any other provision of this article, the Controller shall not offset delinquent accounts against the payment authorized pursuant to Section 8150 or 8150.2 of the Welfare and Institutions Code.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 2. Section 17131.11 of the Revenue and Taxation Code is amended to read:

17131.11. (a) Gross income does not include any payments received by an individual pursuant to Section 8150, 8150.2, or 8151 of the Welfare and Institutions Code.

(b) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 3. Section 19265 of the Revenue and Taxation Code is amended to read:

19265. (a) Notwithstanding Section 18670 or 18671, payments authorized pursuant to Section 8150 or 8150.2 of the Welfare and Institutions Code shall not be subject to withholding or levy for liabilities due under Section 10878, Part 10 (commencing with Section 17001), Part 11 (commencing with Section 23001), or this part.

(b) This section shall remain in effect only until January 1, 2023, and as of that date is repealed.

SEC. 4. Section 19554.1 of the Revenue and Taxation Code is amended to read:

19554.1. (a) Notwithstanding Section 19542, subject to the limitations of this section and federal law, the Franchise Tax Board may provide to the Controller return or return information, including identifying information and other information necessary for the Controller to make payments to "qualified recipients" pursuant to Section 8150 or 8150.2 of the Welfare and Institutions Code.

(b) (1) The information provided to the Controller under this section is subject to Section 19542.

(2) The Controller and any officer, employee, or agent, or former officer, employee, or agent, of the Controller shall not disclose or use any information obtained from the Franchise Tax Board pursuant to this section except for the purpose of making payments pursuant to Section 8150 or 8150.2 of the Welfare and Institutions Code.

(c) This section shall remain in effect only until January 1, 2025, and as of that date is repealed.

SEC. 5. Section 8150 of the Welfare and Institutions Code is amended to read:

8150. (a) The Controller shall make a one-time Golden State Stimulus tax refund payment in the applicable amount to each qualified recipient. A qualified recipient shall not receive more than one payment of the applicable amount. The payments may be made in the form and manner determined by the Franchise Tax Board.

(b) For purposes of this section, the following definitions shall apply:

(1) "Applicable amount" means the following:

(A) In the case of a qualified recipient who meets the criteria of only one of clause (i) or clause (ii) of subparagraph (A) of paragraph (3), six hundred dollars (\$600).

(B) In the case of a qualified recipient who meets the criteria of both clause (i) and clause (ii) of subparagraph (A) of paragraph (3), one thousand two hundred dollars (\$1,200).

(2) "Resident" shall have the same meaning as that term is defined in Section 17014 of the Revenue and Taxation Code.

(3) (A) "Qualified recipient" means either of the following:

(i) An eligible individual as determined under Section 17052 of the Revenue and Taxation Code who filed a California individual income tax return for the taxable year beginning on or after January 1, 2020, and before January 1, 2021, who has been allowed a tax credit pursuant to Section 17052 of the Revenue and Taxation Code for that taxable year on a return filed by October 15, 2021, and is a California resident on the date the Controller issues the payment pursuant to subdivision (a).

(ii) An individual who would otherwise be an eligible individual pursuant to subparagraphs (A), except for subclause (II) of clause (ii), and (B) of paragraph (1) of subsection (c) of Section 32 of the Internal Revenue Code, as modified by paragraph (1) of subdivision (c) of Section 17052 of the Revenue and Taxation Code and who satisfies all of the following:

(I) Filed a California individual income tax return on or before October 15, 2021, except as provided in subparagraph (B), for the taxable year beginning on or after January 1, 2020, and before January 1, 2021.

(II) Included on the return described in subclause (I) either their federal individual taxpayer identification number, or, if married, the federal individual taxpayer identification number of their spouse.

(III) Reported on the return described in subclause (I), California adjusted gross income of seventy-five thousand dollars (\$75,000) or less.

(IV) Is a California resident, as defined by Section 17014 of the Revenue and Taxation Code, on the date the Controller issues the payment pursuant to subdivision (a).

(B) In the case of an individual who included either their federal individual taxpayer identification number or, if married, the federal individual taxpayer identification number of their spouse, on their California individual income tax return for the taxable year beginning on or after January 1, 2020, and before January 1, 2021, and who meets all of the other requirements of a qualified recipient, both of the following shall apply if the individual or their spouse applied for, but did not receive, a federal individual taxpayer identification number on or before October 15, 2021:

(i) The individual is a qualified recipient for purposes of this section if the tax return described in this subparagraph was filed on or before February 15, 2022.

(ii) Sections 19131 and 19132 of the Revenue and Taxation Code shall not apply to the tax return described in this subparagraph.

(C) Notwithstanding subparagraph (A), a "qualified recipient" shall not include an individual that satisfies all of the following:

(i) Is an eligible individual without a qualifying child as determined under Section 17052 of the Revenue and Taxation Code.

(ii) Files their California individual income tax return using the single filing status for the taxable year described in subparagraph (A).

(iii) Satisfies either of the following:

(I) Is deceased on the date the Controller would issue the payment authorized under subdivision (a), but for the individual's death.

(II) Is incarcerated, other than incarceration pending the disposition of charges, in a jail, prison, or similar penal institution or correctional facility on the date the Controller would issue the payment authorized under subdivision (a), but for the incarceration.

(c) In the case of a qualified recipient that files a joint return with their spouse pursuant to Part 10.2 (commencing with Section 18401) of Division 2 of the Revenue and Taxation Code for a taxable year described in subparagraph (A) of paragraph (3) of subdivision (b), the qualified recipient and their spouse shall be considered one qualified recipient for purposes of this section, and shall receive only one payment of the applicable amount.

(d) The payment authorized by this section shall not be a refund or overpayment of income taxes under Chapter 6 (commencing with Section 19301) of Part 10.2 of Division 2 of the Revenue and Taxation Code of any liability imposed under Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code.

(e) The Franchise Tax Board shall provide return or return information of the qualified recipients to the Controller as authorized under Section 19554.1 of the Revenue and Taxation Code to allow the Controller to make payments authorized pursuant to this section.

(f) (1) There is hereby created in the State Treasury the Golden State Stimulus Emergency Fund. Notwithstanding Section 13340 of the Government Code, an amount necessary for the Controller to make the payments required under subdivision (a) is hereby continuously appropriated, without regard to fiscal year, from the Golden State Stimulus Emergency Fund to the Controller for the purpose of making the Golden State Stimulus tax refund payments to help low-income Californians.

(2) The Controller shall transfer to the Golden State Stimulus Emergency Fund an amount not in excess of the amount appropriated under paragraph (1).

(3) (A) The Controller shall issue the required payments no later than July 15, 2022.

(B) Notwithstanding subparagraph (A), the Controller may reissue stale, dated, or replacement warrants for the payments pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 905.2 of the Government Code after July 15, 2022.

(4) All refunds returned shall be redeposited by the Controller in the Golden State Stimulus Emergency Fund.

(5) Any unused money remaining in the Golden State Stimulus Emergency Fund shall be transferred to the General Fund by June 1, 2024.

(g) Notwithstanding any other law, the payment authorized pursuant to this section shall be treated in the same manner as the federal earned income refund for the purpose of determining eligibility to receive benefits under Division 9 (commencing with Section 10000) of the Welfare and Institutions Code, excluding benefits under Chapter 7 (commencing with Section 14000) of Part 3 of Division 9 of the Welfare and Institutions Code, or amounts of those benefits.

(h) Notwithstanding any other law, the payment authorized pursuant to this section shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual, or any other individual, for benefits or assistance or the amount or extent of benefits or assistance under any state or local program not covered in subdivision (g). With respect to a state or local program, this subdivision shall only be implemented to the extent that it does not conflict with federal law relating to that program, and that any required federal approval or waiver is first obtained for that program.

(i) The Legislature finds and declares that, to the extent they are otherwise a qualified recipient pursuant to paragraph (3) of subdivision (b), undocumented persons are eligible for the payment authorized by this section within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code.

(j) This section shall remain in effect until January 1, 2025, and as of that date is repealed.

SEC. 6. Section 8150.2 is added to the Welfare and Institutions Code, to read:

8150.2. (a) The Controller shall make a one-time Golden State Stimulus II tax refund payment to each qualified recipient in an amount determined pursuant to subdivision (c), but not to exceed one thousand one hundred dollars (\$1,100). A qualified recipient shall not receive more than one payment of the applicable amount. The payment may be made in the form and manner determined by the Franchise Tax Board.

(b) (1) For purposes of this section, "qualified recipient" means an individual who meets all of the following criteria:

(A) Is an individual who filed a California individual income tax return on or before October 15, 2021, except as provided in paragraph (2), for the taxable year beginning on or after January 1, 2020, and before January 1, 2021.

(B) Is a California resident, as defined by Section 17014 of the Revenue and Taxation Code, for more than one-half of the taxable year beginning on or after January 1, 2020, and before January 1, 2021, and on the date the Controller issues the rebate pursuant to subdivision (a).

(C) Cannot be claimed as a dependent by another taxpayer.

(D) Had California adjusted gross income of one dollar (\$1) or more, but not more than seventy-five thousand dollars (\$75,000), or not more than thirty-seven thousand five hundred dollars (\$37,500) in the case of a married individual filing separately, as reported on the return described in subparagraph (A).

(E) Had wages subject to withholding under Division 6 (commencing with Section 13000) of the Unemployment Insurance Code of seventy-five thousand dollars (\$75,000) or less, or thirty-seven thousand five hundred dollars (\$37,500) or less in the case of a married individual filing separately, as reported on the return described in subparagraph (A).

(2) In the case of an individual who included either their federal individual taxpayer identification number or, if married, the federal individual taxpayer identification number of their spouse, on their California individual income tax return for the taxable year beginning on or after January 1, 2020, and before January 1, 2021, and who meets all of the other requirements of a qualified recipient, both of the following shall apply if the individual or their spouse applied for, but did not receive, a federal individual taxpayer identification number on or before October 15, 2021:

(A) The individual is a qualified recipient for purposes of this section if the tax return described in this paragraph was filed on or before February 15, 2022.

(B) Sections 19131 and 19132 of the Revenue and Taxation Code shall not apply to the return described in this paragraph.

(3) A "qualified recipient" shall not include an individual who satisfies all of the following:

(A) Is an individual without a dependent.

(B) Files or filed their California individual income tax return using the single filing status for the taxable year described in subparagraph (A) of paragraph (1).

(C) Is either of the following:

(i) Deceased on the date the Controller would issue the payment authorized under subdivision (a), but for the individual's death.

(ii) Incarcerated, other than incarcerated pending the disposition of charges, in a jail, prison, or similar penal institution or correctional facility on the date the Controller would issue the payment authorized under subdivision (a), but for the individual's incarceration.

(c) The payment for a qualified recipient shall be in an amount as follows:

(1) Five hundred dollars (\$500), or two hundred fifty dollars (\$250) in the case of a married individual filing separately, if the qualified recipient met the requirements under Section 8150, the qualified recipient filed the return described in subparagraph (A) of paragraph (1) of subdivision (b) using their social security number, and, if married, the social security number of their spouse, and the qualified recipient claimed a credit for one or more dependents under paragraph (1) of subdivision (d) of Section 17054 of the Revenue and Taxation Code on that return.

(2) Six hundred dollars (\$600), or three hundred dollars (\$300) in the case of a married individual filing separately, if the qualified recipient did not meet the requirements under Section 8150, and the qualified recipient did not claim a credit for one or more dependents under paragraph (1) of subdivision (d) of Section 17054 of the Revenue and Taxation Code on the return described in subparagraph (A) of paragraph (1) of subdivision (b).

(3) One thousand dollars (\$1,000), or five hundred dollars (\$500) in the case of a married individual filing separately, if the qualified recipient met the requirements under Section 8150, the qualified recipient filed the return described in subparagraph (A) of paragraph (1) of subdivision (b) with either their federal individual taxpayer identification number, or, if married, the federal individual taxpayer identification number of their spouse, and the qualified recipient claimed a credit for one or more dependents under paragraph (1) of subdivision (d) of Section 17054 of the Revenue and Taxation Code on that return.

(4) One thousand one hundred dollars (\$1,100), or five hundred fifty dollars (\$550) in the case of a married individual filing separately, if the qualified recipient did not meet the requirements under Section 8150 and the qualified recipient claimed a credit for one or more dependents under paragraph (1) of subdivision (d) of Section 17054 of the Revenue and Taxation Code on the return described in subparagraph (A) of paragraph (1) of subdivision (b).

(d) The payment authorized by this section shall not be a refund or overpayment of income taxes under Chapter 6 (commencing with Section 19301) of Part 10.2 of Division 2 of the Revenue and Taxation Code of any liability imposed under Part 10 (commencing with Section 17001) of Division 2 of the Revenue and Taxation Code.

(e) In the case of a qualified recipient who files a joint return with their spouse pursuant to Part 10.2 (commencing with Section 18401) of the Revenue and Taxation Code for a taxable year described in subparagraph (A) of paragraph (1) of subdivision (b), the qualified recipient and their spouse shall be considered one qualified recipient for purposes of this section, and shall receive only one payment of the applicable amount.

(f) (1) The Franchise Tax Board shall provide return or return information of the qualified recipients to the Controller as authorized under Section 19554.1 of the Revenue and Taxation Code to allow the Controller to make payments authorized pursuant to this section.

(2) The Franchise Tax Board shall inform the Controller of the payment amount for each qualified recipient.

(g) (1) Notwithstanding Section 13340 of the Government Code, an amount necessary for the Controller to make the payments required under subdivision (a) is hereby continuously appropriated, without regard to fiscal year, from the Golden State Stimulus Emergency Fund to the Controller for the purpose of making the Golden State Stimulus II tax refund payments to help low- and middle-income Californians impacted by the COVID-19 emergency.

(2) The Controller shall transfer to the Golden State Stimulus Emergency Fund an amount not in excess of the amount appropriated under paragraph (1).

(3) (A) The Controller shall issue the required payments no later than July 15, 2022.

(B) Notwithstanding subparagraph (A), the Controller may reissue stale, dated, or replacement warrants for the Golden State Stimulus II tax refund payments pursuant to subparagraph (B) of paragraph (2) of subdivision (b) of Section 905.2 of the Government Code after July 15, 2022.

(4) All payments which are returned shall be redeposited by the Controller in the Golden State Stimulus Emergency Fund.

(5) Any unused money remaining in the Golden State Stimulus Emergency Fund shall be transferred to the General Fund by June 1, 2024.

(h) Notwithstanding any other law, the payment authorized pursuant to this section shall be treated in the same manner as the federal earned income refund for the purpose of determining eligibility to receive benefits under Division 9 (commencing with Section 10000), excluding benefits under Chapter 7 (commencing with Section 14000) of Part 3 of Division 9, or amounts of those benefits.

(i) Notwithstanding any other law, the payment authorized pursuant to this section shall not be taken into account as income, and shall not be taken into account as resources for a period of 12 months from receipt, for purposes of determining the eligibility of such individual, or any other individual, for benefits or assistance or the amount or extent of benefits or assistance under any state or local program not covered in subdivision (h). With respect to a state or local program, this subdivision shall only be implemented to the extent that it does not conflict with federal law relating to that program, and that any required federal approval or waiver is first obtained for that program.

(j) The Legislature finds and declares that, to the extent that an individual is otherwise a qualified recipient pursuant to this section, an undocumented person, within the meaning of subsection (d) of Section 1621 of Title 8 of the United States Code, is eligible for the payment authorized by this section.

(k) This section shall remain in effect only until January 1, 2025, and on that date is repealed.

SEC. 7. Section 8152 of the Welfare and Institutions Code is amended to read:

8152. (a) (1) A Golden State Stimulus payment made by the Controller pursuant to Section 8150 or 8150.2, a Golden State Grant payment made by the State Department of Social Services or contracted entities pursuant to Section 8151, and a payment made pursuant to Section 12201.7 shall be automatically exempt from a garnishment order.

(2) This subdivision does not apply to a garnishment order in connection with an action for, or a judgment awarding, child support, spousal support, family support, or a criminal restitution payable to victims.

(b) Notwithstanding any other law, a financial institution receiving directly from the state the payments described in subdivision (a) shall exempt those payments from any garnishment order if the payment is marked by the state as a "Golden State Stimulus payment," "Golden State Stimulus II payment," or "Golden State Grant payment" or includes some other industry-standard unique identifier that is reasonably sufficient to allow the financial institution to identify the funds as a Golden State Stimulus payment, Golden State Stimulus II payment, or Golden State Grant payment.

(c) (1) In exempting a Golden State Stimulus payment, a Golden State Stimulus II payment, or Golden State Grant payment from a garnishment order, a financial institution shall identify an exempt deposit using a lookback period during an account review.

(2) The financial institution shall perform a one-time account review consistent with the requirements described in subsection (a) of Section 212.5 of Title 31 of the Code of Federal Regulations.

(d) A financial institution that attempts in good faith to comply with this section shall not be subject to liability or regulatory action under a federal or state law, regulation, court or other order, or regulatory interpretation for actions concerning applicable payments.

(e) As used in this section:

(1) "Account review" means the process of examining deposits in an account to determine if a benefit agency has deposited a benefit payment into the account during the lookback period.

(2) "Garnishment order" means a writ, order, notice, summons, judgment, levy, or similar written instruction issued by a court, a state or state agency, or a municipality or municipal corporation, including an order to freeze the assets in an account, to effect a garnishment against a debtor.

(3) "Lookback period" means the two-month period that begins on the date preceding the date of account review and ends on the corresponding date of the month two months earlier or on the last date of the month two months earlier if the corresponding date does not exist.

SEC. 8. For purposes of complying with Section 41 of the Revenue and Taxation Code, the Legislature finds and declares the following:

(a) The purpose of the tax expenditure allowed by the amendment made to Section 17131.11 of the Revenue and Taxation Code by this act is to provide financial relief for low- and middle-income Californians who may have been adversely impacted by the economic disruptions resulting from the COVID-19 emergency.

(b) In order to provide information on this tax expenditure, the Franchise Tax Board shall, in consultation with the Controller, prepare a written report that shall include the number of qualified recipients issued a payment pursuant to Section 8150.2 of the Welfare and Institutions Code. Notwithstanding Section 19542 of the Revenue and Taxation Code, the Franchise Tax Board shall provide the written report to the Legislature by December 1, 2022, in compliance with Section 9795 of the Government Code.

SEC. 9. The COVID-19 emergency has had a significant and disproportionate negative impact on the financial health of many low- and middle-income Californians. Furthermore, the COVID-19 emergency has caused many low- and middle-income families

to face the loss of jobs, loss of income, increased costs, and increased risks to their personal health and safety. The Legislature hereby finds and declares that the payments authorized by Section 8150.2 of the Welfare and Institutions Code serve the public purpose of providing financial relief for low- and middle-income Californians who may have been adversely impacted by the economic disruptions resulting from the COVID-19 emergency, and do not constitute gifts of public funds within the meaning of Section 6 of Article XVI of the California Constitution.

SEC. 10. This act provides for appropriations relating to the state of emergency declared by the Governor on March 4, 2020, relating to the COVID-19 pandemic, and pursuant to paragraph (2) of subdivision (c) of Section 3 of Article XIII B of the California Constitution are not subject to the annual appropriations limit set by Section 1 of Article XIII B of the California Constitution when passed by a two-thirds vote of the Legislature.

SEC. 11. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

SEC. 12. 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.