

**SOLANO COUNTY
Legislative Committee Meeting**

Committee
Supervisor Linda J. Seifert (Chair)
Supervisor Erin Hannigan

Staff
Michelle Heppner

**September 3, 2013
3:00 p.m. to 4:30 p.m.**

**Solano County Administration Center
Sixth Floor Conference Center, Room 6003
675 Texas Street
Fairfield, CA 94533**

AGENDA

I. Public Comment (Items not on the agenda)

II. Discussion of Federal Bills and consider making a recommendation (Waterman & Associates)

Action Item:

- Berryessa Snow Mountain Conservation Area H.R. 1025 (Attachment 1 – page 2)
- California WIC Association request for support (Attachment 2 – page 21)

Update:

- Federal Healthcare Implementation Update
- Debt Ceiling Update

III. Report on State Budget and Legislation and consider making a recommendation for a position on legislation (Paul Yoder)

Action Item:

[SB 741](#) ([Cannella](#) R) California fairs: funding. (Attachment 3 – page 23)
Current Analysis: 08/28/2013 [Assembly Appropriations \(text 8/19/2013\)](#)
(Attachment 4 – page 42)

Updates:

- Governor's proposal to address prison overcrowding (Attachment 5 – page 45) and the Senate Democrat's counter proposal (Attachment 6 – page 64)
- General Legislative Update

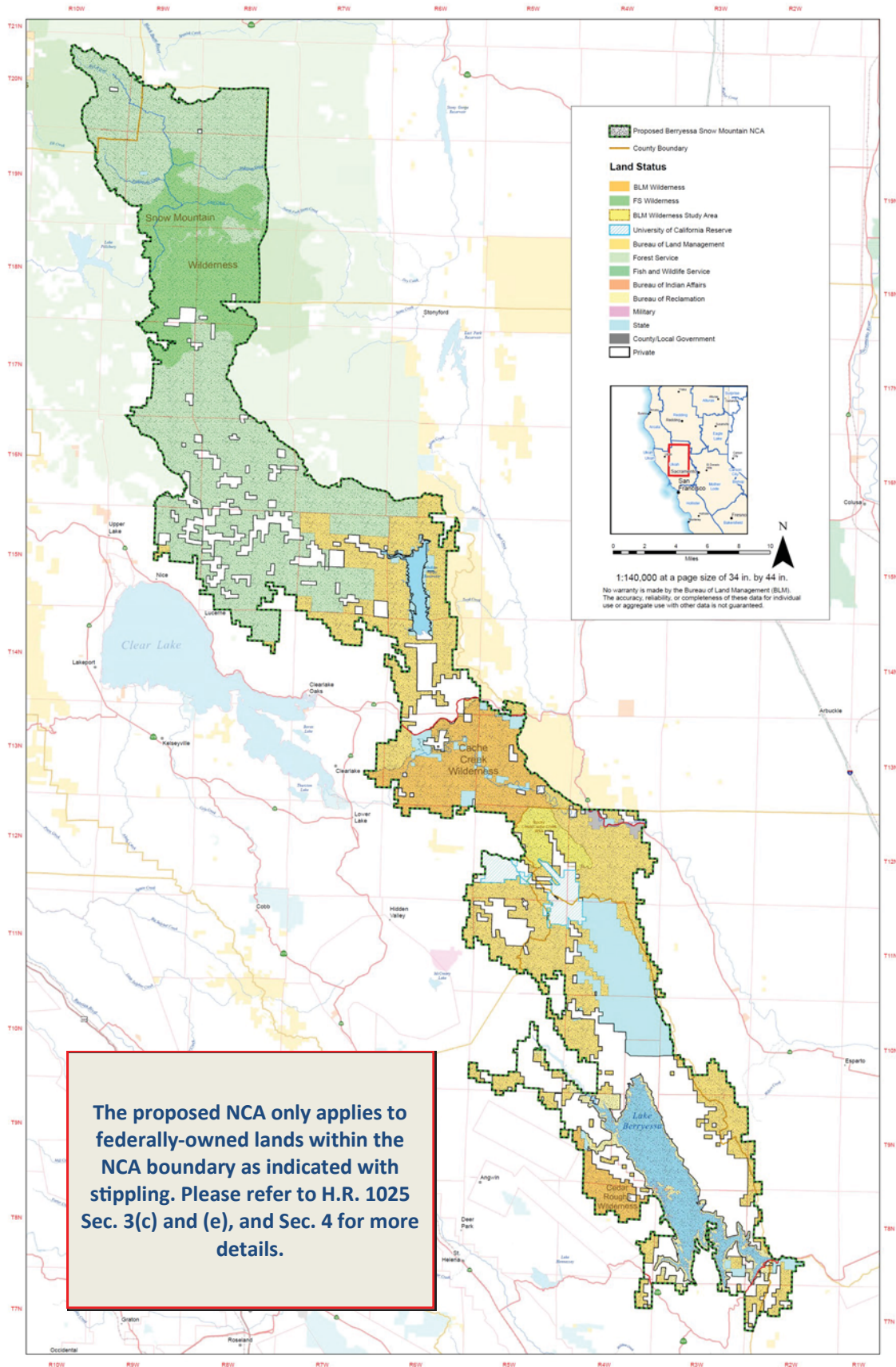
IV. Items from the Public

Berryessa Snow Mountain National Conservation Area

March 5, 2013

DRAFT

This map prepared at the request of Representative Mike Thompson



The proposed NCA only applies to federally-owned lands within the NCA boundary as indicated with stippling. Please refer to H.R. 1025 Sec. 3(c) and (e), and Sec. 4 for more details.

113TH CONGRESS
1ST SESSION

H. R. 1025

To designate the Berryessa Snow Mountain National Conservation Area in the State of California, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 7, 2013

Mr. THOMPSON of California (for himself, Mr. GARAMENDI, Mr. HUFFMAN, Ms. ESHOO, and Mr. BERA of California) introduced the following bill; which was referred to the Committee on Natural Resources

A BILL

To designate the Berryessa Snow Mountain National Conservation Area in the State of California, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Berryessa Snow Mountain National Conservation Area
6 Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for
8 this Act is as follows:

Sec. 1. Short title and table of contents.

Sec. 2. Definitions.

Sec. 3. Establishment of Berryessa Snow Mountain National Conservation Area, California.

Sec. 4. Access and buffer zones.

Sec. 5. Management of Federal lands in conservation area.

Sec. 6. Berryessa Snow Mountain National Conservation Area Advisory Council.

Sec. 7. Water.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) **ADVISORY COUNCIL.**—The term “advisory
4 council” means the Berryessa Snow Mountain Na-
5 tional Conservation Area Advisory Council.

6 (2) **CONSERVATION AREA.**—The term “con-
7 servation area” means the Berryessa Snow Moun-
8 tain National Conservation Area.

9 (3) **SECRETARY.**—The term “Secretary”
10 means—

11 (A) the Secretary of Agriculture, with re-
12 spect to those conservation area lands under
13 the jurisdiction of the Secretary of Agriculture;
14 and

15 (B) the Secretary of the Interior, with re-
16 spect to those conservation area lands under
17 the jurisdiction of the Secretary of the Interior.

18 (4) **SECRETARIES.**—The term “Secretaries”
19 means the Secretary of Agriculture and the Sec-
20 retary of the Interior acting jointly.

21 (5) **STATE.**—The term “State” means the State
22 of California.

1 (6) MOTOR VEHICLE USE MAPS.—The term
 2 “motor vehicle use maps” means the maps produced
 3 by the Forest Service titled “Motor Vehicle Use
 4 Map, Mendocino National Forest, SOUTH MAP,
 5 California, 2008” and “Motor Vehicle Use Map,
 6 Mendocino National Forest, SOUTH CENTRAL
 7 MAP, California, 2008” and any amendments to
 8 those maps.

9 **SEC. 3. ESTABLISHMENT OF BERRYESSA SNOW MOUNTAIN**
 10 **NATIONAL CONSERVATION AREA, CALI-**
 11 **FORNIA.**

12 (a) ESTABLISHMENT.—Subject to valid existing
 13 rights, there is hereby established the Berryessa Snow
 14 Mountain National Conservation Area in the State.

15 (b) PURPOSE.—The purpose of the Berryessa Snow
 16 Mountain National Conservation Area is to conserve, pro-
 17 tect, and enhance for the benefit and enjoyment of present
 18 and future generations the ecological, scenic, wildlife, rec-
 19 reational, cultural, historical, natural, educational, and
 20 scientific resources of the lands included in the conserva-
 21 tion area.

22 (c) AREA INCLUDED.—The conservation area con-
 23 sists of approximately _____ acres of Federal land and
 24 interests in Federal land within Napa, Lake, Mendocino,
 25 Solano, and Yolo Counties, California, as depicted on the

1 map entitled “Berryessa Snow Mountain National Con-
2 servation Area” and dated _____.

3 (d) LEGAL DESCRIPTIONS; CORRECTIONS OF ER-
4 RORS.—

5 (1) PREPARATION.—As soon as practical after
6 the date of enactment of this Act, but in no event
7 later than two years after such date, the Secretaries
8 shall prepare final maps and legal descriptions of the
9 conservation area.

10 (2) SUBMISSION.—As soon as practicable after
11 the preparation of the maps and legal descriptions
12 under paragraph (1), the Secretaries shall submit
13 the maps and legal descriptions to the Committee on
14 Natural Resources of the House of Representatives
15 and to the Committee on Energy and Natural Re-
16 sources of the Senate.

17 (3) PUBLIC AVAILABILITY.—The maps and
18 legal descriptions prepared under paragraph (1)
19 shall be available for public inspection at appropriate
20 offices of the Bureau of Land Management and For-
21 est Service.

22 (4) LEGAL EFFECT.—The maps and legal de-
23 scriptions of the conservation area shall have the
24 same force and effect as if included in this Act, ex-
25 cept that the Secretaries may correct clerical and ty-

1 pographical errors in the maps and legal descrip-
2 tions.

3 (e) SENSE OF CONGRESS.—It is the sense of Con-
4 gress that this Act should apply only to Federal land and
5 interests in Federal land and should not apply to private
6 property or other non-Federal land and interests in land.

7 **SEC. 4. ACCESS AND BUFFER ZONES.**

8 (a) NON-FEDERAL LANDS AND INTERESTS.—

9 (1) NO REQUIREMENT OF PUBLIC ACCESS.—
10 Nothing in this Act requires a non-Federal property
11 owner to allow public access to private property.

12 (2) AFFECT ON OTHER LAWS.—Nothing in this
13 Act modifies any provision of Federal, State, or local
14 law with respect to use of non-Federal land.

15 (b) ACCESS.—The Secretary shall continue to provide
16 historical and adequate access to private inholdings in the
17 conservation area.

18 (c) BUFFER ZONES.—

19 (1) IN GENERAL.—Nothing in this Act creates
20 a protective perimeter or buffer zone around the
21 conservation area.

22 (2) ACTIVITIES OUTSIDE OF CONSERVATION
23 AREA.—The fact that any activities or uses outside
24 of areas designated by this Act can be seen or heard

1 within the conservation area shall not preclude the
2 activities or uses outside of the conservation area.

3 **SEC. 5. MANAGEMENT OF FEDERAL LANDS IN CONSERVA-**
4 **TION AREA.**

5 (a) BASIS OF MANAGEMENT.—

6 (1) APPLICABLE LAWS.—The Secretary shall
7 manage the conservation area in a manner that con-
8 serves, protects, and enhances the natural resources
9 and values of the conservation area, in accordance
10 with—

11 (A) this Act;

12 (B) the Federal Land Policy and Manage-
13 ment Act of 1976 (43 U.S.C. 1701 et seq.) for
14 lands managed by the Bureau of Land Manage-
15 ment;

16 (C) the Wilderness Act (16 U.S.C. 1131 et
17 seq.);

18 (D) the Act of June 17, 1902 (commonly
19 known as the Reclamation Act of 1902; 32
20 Stat. 388) and Acts amendatory thereof and
21 supplemental thereto;

22 (E) other laws (including regulations) ap-
23 plicable to the National Forest System for land
24 managed by the Forest Service; and

1 (F) other applicable law (including regula-
2 tions).

3 (2) RESOLUTION OF CONFLICTS.—If there is a
4 conflict between a provision of this Act and a provi-
5 sion of one of the other laws specified in paragraph
6 (1), the more restrictive provision shall control.

7 (b) USES.—The Secretary shall allow only such uses
8 of the conservation area as the Secretary determines
9 would further the purposes for which the conservation
10 area is established.

11 (c) TRIBAL CULTURAL USES.—Nothing in this Act
12 shall be construed to enlarge or diminish the rights of any
13 Indian tribe.

14 (d) RECREATION.—The Secretary shall continue to
15 authorize, maintain, and enhance the recreational use of
16 the conservation area, including hunting, fishing, camping,
17 hiking, hang gliding, sightseeing, nature study, horseback
18 riding, rafting, mountain biking and motorized recreation
19 on authorized routes, and other recreational activities, so
20 long as such recreational use is consistent with the pur-
21 poses of the conservation area, this section, other applica-
22 ble law (including regulations), and applicable manage-
23 ment plans.

24 (e) MANAGEMENT PLAN.—

1 (1) IN GENERAL.—Within three years after the
2 date of enactment of this Act, the Secretaries shall
3 develop a comprehensive plan for the protection and
4 management of the Federal lands included within
5 the conservation area that fulfills the purposes for
6 which the conservation area is established. In imple-
7 menting the management plan and in considering
8 any recommendations from the advisory council, the
9 Secretaries shall consult on a regular basis.

10 (2) PURPOSES.—The management plan shall—

11 (A) describe the appropriate uses and
12 management of the conservation area;

13 (B) be developed with extensive public
14 input;

15 (C) take into consideration any informa-
16 tion developed in studies of the land within the
17 conservation area;

18 (D) assess the impacts of climate change
19 on the conservation area and establish policies
20 and procedures to ensure the preservation of
21 wildlife corridors and facilitate species migra-
22 tion;

23 (E) include a comprehensive weed manage-
24 ment strategy (including use of grazing where

1 appropriate) to guide noxious weed control ef-
2 forts and activities;

3 (F) identify and prioritize habitat restora-
4 tion opportunities and strategies within the con-
5 servation area;

6 (G) identify opportunities to enhance rec-
7 reational opportunities throughout the conserva-
8 tion area;

9 (H) identify areas outside of designated
10 wilderness where non-motorized recreation will
11 be emphasized;

12 (I) identify opportunities to improve fish
13 passage and habitat quality for native fish spe-
14 cies;

15 (J) include a plan to address the public
16 safety and environmental clean-up issues associ-
17 ated with illegal marijuana production within
18 the conservation area;

19 (K) identify opportunities to promote vol-
20 untary cooperative conservation projects with
21 State, local, and private interests; and

22 (L) take into consideration existing land
23 uses (including grazing) on the Federal lands
24 within the conservation area.

1 (3) OTHER PLANS.—In developing the manage-
2 ment plan, and to the extent consistent with this
3 section, the Secretary may incorporate any provision
4 from a resource management plan, land and re-
5 source management plan, or any other plan applica-
6 ble to the conservation area.

7 (4) COOPERATIVE AGREEMENTS.—In carrying
8 out this Act, the Secretary may make grants to, or
9 enter into cooperative agreements with, State, tribal,
10 and local governmental entities and private entities
11 to conduct research, develop scientific analyses, and
12 carry out any other initiative relating to the restora-
13 tion or conservation of the conservation area.

14 (f) FISH AND WILDLIFE.—Nothing in this Act af-
15 fects the jurisdiction of the State with respect to fish and
16 wildlife located on public land in the State, except that
17 the Secretary, after consultation with the California De-
18 partment of Fish and Wildlife, may designate zones in the
19 conservation area where, and periods when, hunting shall
20 not be allowed for reasons of public safety, administration,
21 or public use and enjoyment.

22 (g) MOTORIZED AND MECHANIZED VEHICLES.—

23 (1) IN GENERAL.—Except where needed for ad-
24 ministrative purposes or to respond to an emer-
25 gency, the use of motorized and mechanized vehicles

1 on lands within the conservation area shall be per-
2 mitted only on roads and trails designated for their
3 use.

4 (2) ADDITIONAL REQUIREMENT.—In developing
5 the management plan required by this section, and
6 to the extent consistent with this section, the Sec-
7 retary, for lands under jurisdiction of Forest Serv-
8 ice, shall incorporate the motor vehicle use maps. In
9 developing the management plan (and making any
10 subsequent amendment to the management plan),
11 the Secretary shall explicitly analyze and docu-
12 ment—

13 (A) each instance in which the require-
14 ments of this section or other applicable law
15 makes it necessary to alter the motor vehicle
16 use maps; and

17 (B) the manner in which the motor vehicle
18 use maps are consistent with the requirements
19 of this section.

20 (h) INCORPORATION OF ACQUIRED LANDS AND IN-
21 TERESTS.—

22 (1) AUTHORITY.—The Secretary may acquire
23 non-Federal land within the boundaries of the con-
24 servation area only through exchange, donation, or
25 purchase from a willing seller.

1 (2) MANAGEMENT.—Any land or interest in
2 land that is located within the conservation area that
3 is acquired by the United States shall—

4 (A) become part of the conservation area;

5 and

6 (B) be managed in accordance with this
7 Act.

8 (i) WITHDRAWAL.—Subject to valid existing rights,
9 all Federal land within the conservation area is withdrawn
10 from—

11 (1) entry, appropriation, or disposal under the
12 public land laws;

13 (2) location, entry, and patent under the mining
14 laws; and

15 (3) leasing or disposition under all laws relating
16 to—

17 (A) minerals; and

18 (B) operation of the mineral leasing, min-
19 eral materials, and geothermal leasing laws.

20 (j) GRAZING.—

21 (1) IN GENERAL.—Livestock grazing within the
22 conservation area, where established before the date
23 of enactment of this Act, shall be permitted to con-
24 tinue subject to all applicable laws and regulations.

1 (2) OTHER GRAZING.—Livestock grazing within
2 the conservation area, where not established before
3 the date of enactment of this Act, shall only be per-
4 mitted to the extent that it is consistent with the
5 purposes of the conservation area and subject to all
6 applicable laws and regulations.

7 (3) TARGETED GRAZING.—The Secretary may
8 issue annual targeted grazing permits for purposes
9 of the control of noxious weeds, fire suppression, or
10 to provide other ecological benefits consistent with
11 the purposes of the conservation area.

12 (k) WILDLAND FIRE OPERATIONS.—Nothing in this
13 section prohibits the Secretary, in cooperation with other
14 Federal, State, and local agencies, as appropriate, from
15 conducting wildland fire operations in the conservation
16 area, consistent with the purposes of the conservation
17 area.

18 (l) HORSES.—Subject to any terms and conditions
19 determined to be necessary by the Secretary, nothing in
20 this Act precludes horseback riding in, or the entry of rec-
21 reational or commercial saddle or pack stock into, the con-
22 servation area where such use is consistent with the pur-
23 poses of the conservation area and other applicable law
24 (including regulations).

1 **SEC. 6. BERRYESSA SNOW MOUNTAIN NATIONAL CON-**
 2 **SERVATION AREA ADVISORY COUNCIL.**

3 (a) ESTABLISHMENT.—Not less than 180 days after
 4 the date of enactment of this Act, the Secretaries shall
 5 establish an advisory council, to be known as the
 6 “Berryessa Snow Mountain National Conservation Area
 7 Advisory Council”.

8 (b) DUTIES.—The advisory council shall advise the
 9 Secretaries with respect to the preparation and implemen-
 10 tation of the management plan for the conservation area.

11 (c) APPLICABLE LAW.—The advisory council shall be
 12 subject to—

13 (1) the Federal Advisory Committee Act (5
 14 U.S.C. App.);

15 (2) the Federal Land Policy and Management
 16 Act of 1976 (43 U.S.C. 1701 et seq.); and

17 (3) all other applicable law.

18 (d) MEMBERS.—The advisory council shall include 12
 19 members, to be appointed by the Secretaries, of whom,
 20 to the extent practicable—

21 (1) one member shall be appointed after consid-
 22 ering the recommendations of the Lake County
 23 Board of Supervisors;

24 (2) one member shall be appointed after consid-
 25 ering the recommendations of the Napa County
 26 Board of Supervisors;

1 (3) one member shall be appointed after consid-
2 ering the recommendations of the Yolo County
3 Board of Supervisors;

4 (4) one member shall be appointed after consid-
5 ering the recommendations of the Mendocino County
6 Board of Supervisors;

7 (5) one member shall be appointed after consid-
8 ering the recommendations of the Solano County
9 Board of Supervisors;

10 (6) one member shall be appointed after consid-
11 ering the recommendations of the head of the Cali-
12 fornia Resources Agency;

13 (7) one member shall be appointed to represent
14 Native American Tribes;

15 (8) five members shall reside in, or within rea-
16 sonable proximity to, Yolo County, Napa County,
17 Mendocino County, Solano County, or Lake County,
18 California, with backgrounds that reflect—

19 (A) the purposes for which the conserva-
20 tion area was established; and

21 (B) the interest of the stakeholders that
22 are affected by the planning and management
23 of the conservation area, including stakeholders
24 representing the agricultural, private land-own-

1 ership, environmental, recreational, tourism, or
2 other non-Federal land interests.

3 (e) REPRESENTATION.—The Secretaries shall ensure
4 that the membership of the advisory council is fairly bal-
5 anced in terms of the points of view represented and the
6 functions to be performed by the advisory council.

7 (f) TERMS.—

8 (1) STAGGERED TERMS.—Members of the advi-
9 sory council shall be appointed for terms of 3 years,
10 except that, of the members first appointed, 4 of the
11 members shall be appointed for a term of 1 year and
12 4 of the members shall be appointed for a term of
13 2 years.

14 (2) REAPPOINTMENT.—A member may be re-
15 appointed to serve on the advisory council upon the
16 expiration of the member's current term.

17 (3) VACANCY.—A vacancy on the advisory
18 council shall be filled in the same manner as the
19 original appointment.

20 (g) QUORUM.—A quorum shall be six members of the
21 advisory council. The operations of the advisory council
22 shall not be impaired by the fact that a member has not
23 yet been appointed as long as a quorum has been attained.

1 (h) CHAIRPERSON AND PROCEDURES.—The advisory
 2 council shall elect a chairperson and establish such rules
 3 and procedures as it deems necessary or desirable.

4 (i) SERVICE WITHOUT COMPENSATION.—Members of
 5 the advisory council shall serve without pay.

6 (j) TERMINATION.—The advisory committee shall
 7 cease to exist—

8 (1) on the date that is five years after the date
 9 on which the management plan is officially adopted
 10 by the Secretaries; or

11 (2) on such later date as the Secretaries con-
 12 sider appropriate.

13 **SEC. 7. WATER.**

14 Nothing in this Act—

15 (1) affects the use or allocation, in existence on
 16 the date of enactment of this Act, of any water,
 17 water right, or interest in water;

18 (2) affects any vested absolute or decreed condi-
 19 tional water right in existence on the date of enact-
 20 ment of this Act, including any water right held by
 21 the United States;

22 (3) affects any interstate water compact in ex-
 23 istence on the date of enactment of this Act;

24 (4) authorizes or imposes any new reserved
 25 Federal water rights;

1 (5) relinquishes or reduces any water rights re-
2 served or appropriated by the United States in the
3 State on or before the date of enactment of this Act;

4 (6) impairs the ability of the Bureau of Rec-
5 lamation and its managing partners to operate,
6 maintain, or manage Monticello Dam, Lake
7 Berryessa, and other Solano Project facilities in ac-
8 cordance with the purposes of such project;

9 (7) modifies, changes, or supersedes any water
10 contract or agreements approved or administered by
11 the Bureau of Reclamation or Solano County Water
12 Agency or Solano Irrigation District; or

13 (8) affects the use of motorized or non-
14 motorized watercraft (including personal, commer-
15 cial, and recreational watercraft) on Lake Berryessa.

○



- GET INVOLVED
- POLICY CENTER
- FOCUS AREAS
- EVENTS
- NEWS & PUBLICATIONS
- ABOUT US

POLICY CENTER

WE NEED WIC

Federal

State

WIC Ambassadors

Action Alerts

Who is your Representative?

Search by ZIP (+4)

California's WIC Business-Community Alliance

Is your business or organization touched in some way by the WIC Program?

Sign on to support WIC!

To add your organization or business name to the [list of endorsements](#) below, fill out our [ONLINE FORM HERE](#) or email [Donna Hoffman](#).



[Click here](#) to read the complete Statement of Support for Full Funding of the WIC Program.

WIC EMPLOYEES & ADVOCATES: [Click here](#) for a campaign **STARTER KIT.**

California's WIC Business-Community Alliance (BCA) is a public outreach campaign to broaden WIC's support base in California. While still engaging our traditional supporters within the nutrition and advocacy communities, we're moving beyond with a special emphasis on the business community. The goal is to affirmatively engage all sectors of California's economy touched in some way by the WIC program.

Read the statement below and sign on!

Endorsement Statement:

"We the undersigned see firsthand the benefits of the WIC program in our community every day. WIC creates jobs and generates millions of dollars for California's economy while promoting healthy families. We understand that cuts in WIC funding would mean depriving our state's young children the opportunity of a healthy start in life, taking away purchasing power in local economies, and increasing long-term healthcare costs. We are proud to be a supporter of the WIC program and a partner in California's WIC-Business-Community Alliance."

Endorsement Highlights

Endorsement Highlights are listed below. [Click here](#) for a **complete list of endorsements.**

[The American Academy of Pediatrics - California District 9](#)

[Ameda Breastfeeding Products](#)

[Bailey Medical Engineering](#)

[Baytel](#)

[Best Fed Babies](#)

[BreastfeedLA](#)

[California Association of Food Banks](#)

[California Association of Nutrition and Activity Programs](#)

[California Black Health Network](#)

[MEMBER LOGIN](#)



- [California Dietetic Association](#)
- [California Dried Fruit Coalition](#)
- [California Food Policy Advocates](#)
- [California Grocers Association](#)
- [California Head Start Association](#)
- [California Independent Grocers Association](#)
- [California Labor Federation](#)
- [California Retailers Association](#)
- [ChangeLab Solutions](#)
- [Child Care Food Program Roundtable](#)
- [Dignity Health](#)
- [El Tapatio Markets, Inc.](#)
- [First 5 Association of California](#)
- [Hansen Beverage Company](#)
- [House Foods America Corporation](#)
- [Mommie's Only Club Maternity Fashion](#)
- [Mother's Nutritional Center](#)
- [Nutricion Fundamental, Inc.](#)
- [Office Depot](#)
- [Post Cereal](#)
- [Prevention Institute](#)
- [S & L International](#)
- [SoCal Office Technologies \(A Xerox Company\)](#)
- [Welch's](#)

California WIC Association
 1450 DREW AVENUE, SUITE 150
 DAVIS, CA 95618
 PHONE: 530-750-2280

[GET INVOLVED](#)
[FOCUS AREAS](#)
[NEWS & PUBLICATIONS](#)

[POLICY CENTER](#)
[EVENTS](#)
[ABOUT US](#)

AMENDED IN ASSEMBLY AUGUST 19, 2013

AMENDED IN SENATE MAY 28, 2013

AMENDED IN SENATE APRIL 24, 2013

AMENDED IN SENATE APRIL 10, 2013

SENATE BILL

No. 741

**Introduced by ~~Senator~~ *Senators Cannella and Galgiani*
(Coauthors: **Senators Berryhill, Fuller, Gaines, ~~Galgiani,~~ and
Nielsen**)**

(Coauthors: Assembly Members Achadjian, Alejo, Bigelow, *Chesbro*,
Dahle, *Eggman*, Gray, Olsen, Perea, V. Manuel Pérez, Salas, and
Williams)

February 22, 2013

An act to amend Sections 19606.1, ~~19614~~, 19620, and 19620.2 of, and to repeal Sections 19608.3 and 19620.1 of, the Business and Professions Code, to amend Sections 3954, 3965, 3965.1, and 3967 of, to repeal Sections 4051.1, 4051.2, ~~4057~~, and 4401.5 of, and to repeal and add Sections 3200, 4051, and 4053 of, the Food and Agricultural Code, and to amend ~~Section~~ *Sections 11011.2 and 13332.09* of the Government Code, relating to fairs, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 741, as amended, Cannella. California fairs: funding.

(1) Existing law regulates horse racing in this state and ~~provides, among other things,~~ *provides* for the payment and distribution of license fees in connection with horse racing meetings. Existing law establishes the Fair and Exposition Fund to, among other things, allocate moneys for the support of the network of California fairs. Existing law requires

certain license fees from satellite wagering to be deposited into a separate account in the Fair and Exposition Fund, and continuously appropriates those moneys for specified purposes, including, among others, the payment of expenses incurred in establishing and operating satellite wagering facilities at fairs.

This bill would delete the provisions requiring satellite wagering license fees to be deposited into a separate account in the Fair and Exposition Fund and to be continuously appropriated for specified purposes. The bill would instead require certain revenues paid by racing associations and fairs generated by parimutuel wagering ~~and certain revenues from live races paid by fair racing associations as license fees~~ to be deposited into the Fair and Exposition Fund and would require those funds to be continuously appropriated for various purposes, including, among others, capital improvements at fairgrounds. *The bill would revise requirements for concurrence by the Joint Committee on Fairs, Allocation, and Classification of certain allocations proposed by the Secretary of Food and Agriculture.* The bill would also require all funds appropriated for California fairs and expositions to be deposited into the Fair and Exposition Fund and would continuously appropriate those funds for various purposes. By continuously appropriating the funds in the Fair and Exposition Fund, the bill would make an appropriation.

(2) Existing law provides that the Department of Food and Agriculture is responsible for providing oversight of activities carried out by each California fair, including, but not limited to, conducting fiscal and performance audits of county fairs and citrus fruit fairs that are either requested by the fair or that the department deems necessary, and conducting, or causing to be conducted, annual fiscal audits and periodic compliance audits.

This bill would delete the requirement that the department conduct the audits described above and would instead require the department to provide that the books and accounts for the prior calendar year of all fairs receiving money from the Fair and Exposition Fund be examined and reviewed annually and audited once every 3 years by an independent certified public accountant or certified public accountancy firm. The bill would require a summary of the examination to be appended to the fair's annual statement of ~~operation~~, *operations*, and would provide that the costs of the annual review or audit be the responsibility of each fair.

(3) Existing law requires the Legislature, from the total revenue received from the Department of Food and Agriculture, to annually

appropriate moneys to the department as it deems necessary for the oversight of the network of California fairs and to perform audits. Existing law continuously appropriates any of those funds that are unallocated to the Secretary of Food and Agriculture for specified purposes.

This bill would delete those provisions and instead would appropriate any unallocated balance in the Fair and Exposition Fund without regard to fiscal years for allocation by the secretary for capital outlay to California fairs for specified purposes. The bill would also specify that a reasonable amount of those funds, as determined by the secretary, may be used during any year by the Division of Fairs and Expositions to provide oversight and administration of the network of fairs. ~~The bill would require the secretary to annually project the available funds from the Fair and Exposition Fund and to prepare an annual expenditure plan for review and approval by the Joint Committee on Fairs, Allocation, and Classification. The bill would require the secretary's recommendations to be deemed approved 30 days after they are received unless they are rejected by the committee.~~

(4) Existing law divides the state into agricultural districts and provides for the management of these districts by district agricultural associations. Existing law provides for a board of directors for each district agricultural association, and provides for the appointment of each director by the Governor.

This bill would authorize the Governor to remove a director for cause within one year of the director's appointment.

(5) Existing law specifies the duties and responsibilities of district agricultural associations, and requires a district agricultural association to obtain the approval of the Department of Food and Agriculture prior to exercising certain powers, including, among others, the power to sue. Existing law also requires a district agricultural association to obtain the approval of both the Department of Food and Agriculture and the Department of General Services in order to exercise certain other powers, including the power to conduct activities upon the district agricultural association's property, contract, purchase, or convey an interest in either real or personal property, or to use or manage its real estate or personal property.

This bill would revise the duties and responsibilities of the Department of Food and Agriculture and the Department of General Services with respect to district agricultural associations, and, among other things, would delete the requirement that a district agricultural association

obtain the Department of Food and Agriculture's approval prior to suing. The bill would also delete the requirement that a district agricultural association obtain prior approval from both the Department of Food and Agriculture and the Department of General Services prior to conducting activities upon the district agricultural association's own property, or entering into a contract or exercising powers over its own real or personal property. The bill would require a district agricultural association to comply with specified contracting procedures, including, among others, soliciting bids in writing if the estimated total cost of a project exceeds ~~\$25,000, as specified:~~ \$25,000. The bill would require a district agricultural association to adopt a fiscal review policy to conduct audits at regular intervals, as specified, and would authorize the Department of Food and Agriculture to require an audit to be conducted at an earlier time if the department deems it necessary to protect the interests of the district agricultural association. The bill would specify that the title, control, and possession of all personal property acquired, held, managed, or operated by a district agricultural association vests with the district agricultural association. The bill would delete a provision requiring the Secretary of Food and Agriculture to expend up to \$100,000 each fiscal year for an exhibit or exhibits at a fair that demonstrates the process of production and use of food and fiber, and would also delete a requirement that the secretary provide for a conference of fair judges to aid the Department of Food and Agriculture in prescribing regulations, and to expend up to \$15,000 for that purpose. The bill would make other conforming and related changes.

(6) Under existing law, the Department of General Services exercises oversight of the acquisition and replacement of motor vehicles, and the acquisition of certain mobile equipment, by state agencies, and defines "state agency" for those purposes.

This bill would exclude a district agricultural association from that definition.

~~(6)~~

(7) This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 19606.1 of the Business and Professions
2 Code is amended to read:

3 19606.1. (a) All revenues transferred pursuant to Section
4 19616.52 and ~~subdivision (d) of Section 19614~~ *all other funding*
5 *for fairs, as specified in Section 3200 of the Food and Agricultural*
6 *Code, shall be deposited in the Fair and Exposition Fund pursuant*
7 *to this section* and, notwithstanding Section 13340 of the
8 Government Code, are continuously appropriated from the fund
9 to the Department of Food and Agriculture, for allocation by the
10 Secretary of Food and Agriculture, at his or her discretion, for the
11 purposes set forth in paragraphs (1) to (6), inclusive. The
12 concurrence of the Director of Finance shall be required for
13 allocations pursuant to paragraphs (1) and (2). ~~Allocations pursuant~~
14 ~~to paragraphs (3) to (6), inclusive, shall be made with the~~
15 ~~concurrence of the Joint Committee on Fairs, Allocation, and~~
16 ~~Classification.~~

17 (1) For the repayment of the principal of, interest on, and costs
18 of issuance of, and as security, including any coverage factor,
19 pledged to the payment of, bonds issued or to be issued by a joint
20 powers agency or other debt service or expense, including
21 repayment of any advances made or security required by any
22 provider of credit enhancement or liquidity for those bonds or
23 other indebtedness or expenses of maintaining that credit
24 enhancement or liquidity, incurred for the purpose of constructing
25 or acquiring improvements at a fair's racetrack inclosure, satellite
26 wagering facilities at fairs, health and safety repair projects, or
27 handicapped access compliance projects at fairs or for the purpose
28 of refunding bonds or other indebtedness incurred for those
29 purposes. As used in this paragraph, "coverage factor" means
30 revenues in excess of the amount necessary to pay debt service on
31 the bonds or other indebtedness, up to an amount equal to 100
32 percent more than the amount of that debt service, which a joint
33 powers agency, pursuant to the resolution or indenture under which
34 the bonds or other indebtedness are or will be issued, pledges as
35 additional security for the payment of that debt service or is
36 required to have or maintain as a condition to the issuance of
37 additional bonds or other indebtedness. Notwithstanding any other
38 law, the department may also commit any funds available for

1 allocation under Article 10 (commencing with Section 19620) to
 2 complete projects funded under this paragraph in the priority
 3 described in this paragraph.

4 (2) For payment to the State Race Track Leasing Commission
 5 to be pledged for the repayment of debt necessary to construct a
 6 racetrack grandstand at the 22nd District Agricultural Association
 7 fairgrounds. This payment shall be made only if the secretary
 8 determines, annually, that all other pledged revenues have been
 9 applied to the repayment of that debt and have been determined
 10 by the secretary to be inadequate for that purpose.

11 (3) For the general support of the network of California fairs
 12 pursuant to the provisions of this chapter.

13 (4) For health and safety repair projects at fairs, including fire
 14 and life safety improvement projects, regulatory compliance
 15 projects, and long-term deferred maintenance projects.

16 (5) For capital improvements at fairgrounds. In making
 17 determinations to fund capital improvements pursuant to this
 18 paragraph, the secretary may grant priority status to renewable
 19 energy generation projects.

20 (6) For the payment of expenses incurred in developing and
 21 operating revenue generating projects at fairs, or which directly
 22 benefit fairs, including the payment of expenses incurred in
 23 establishing and operating horse racing facilities, industry training,
 24 the establishment of pilot projects to restructure the current fair
 25 system, and for projects realizing a cost savings for more efficient
 26 utilization of existing fair resources.

27 (b) The secretary may not make an allocation for purposes of
 28 paragraphs (2) to (6), inclusive, of subdivision (a) until the
 29 payments required in any fiscal year pursuant to paragraph (1) of
 30 subdivision (a) have been funded.

31 ~~(c) Pursuant to subdivision (a), (1) If the total amount of~~
 32 ~~allocations to be made pursuant to paragraphs (3) to (6), inclusive,~~
 33 ~~of subdivision (a) exceeds five million dollars (\$5,000,000), the~~
 34 ~~Joint Committee on Fairs, Allocation, and Classification shall~~
 35 ~~review and concur, or not concur, with the secretary's~~
 36 ~~determination of the allocations to be made pursuant to paragraphs~~
 37 ~~(3) to (6), inclusive, of subdivision (a) in total, those provisions,~~
 38 ~~and the committee may not add to, or delete projects or line items~~
 39 ~~from, the proposed allocations.~~

40 (d)

1 (2) The secretary's recommendations to the Joint Committee
 2 on Fairs, Allocation, and Classification shall be deemed approved
 3 30 days after they are received unless they are rejected by the
 4 committee.

5 (e)

6 (3) If the Joint Committee on Fairs, Allocation, and
 7 Classification does not concur with the secretary's
 8 recommendations, the secretary may submit another set of
 9 recommendations to the committee pursuant to this section.

10 (f)

11 (d) The payments required in any fiscal year for the purposes
 12 of paragraphs (1) and (2) of subdivision (a) shall be made before
 13 the secretary may utilize any moneys pursuant to subdivision ~~(g)~~
 14 (e).

15 (g)

16 (e) Except as otherwise provided in subdivision ~~(f)~~, (d), when
 17 the revenues deposited in the Fair and Exposition Fund exceed the
 18 amount necessary to satisfy the purposes of paragraphs (1) and (2)
 19 of subdivision (a), the secretary may utilize the excess amounts
 20 plus the amounts deposited to the credit of the Fair and Exposition
 21 Fund pursuant to revenues deposited to the credit of the fund from
 22 all other sources to make allocations from the fund for the purposes
 23 of Section 19620.2.

24 SEC. 2. Section 19608.3 of the Business and Professions Code
 25 is repealed.

26 SEC. 3. ~~Section 19614 of the Business and Professions Code~~
 27 ~~is amended to read:~~

28 19614. (a) ~~Notwithstanding Sections 19611 and 19612, and~~
 29 ~~except for an association that qualifies pursuant to Section 19612.6,~~
 30 ~~for a fair conducting a live racing meeting, 1 percent of the total~~
 31 ~~amount handled on live races, excluding wagering at a satellite~~
 32 ~~facility, shall be retained by the fair association for payment to the~~
 33 ~~state as a license fee.~~

34 (b) ~~Additionally, 0.48 percent of the total amount handled on~~
 35 ~~live racing, excluding wagering at a satellite facility, shall be~~
 36 ~~deposited with the official registering agency pursuant to~~
 37 ~~subdivision (a) of Section 19617.2, and shall thereafter be~~
 38 ~~distributed in accordance with subdivisions (b), (c), and (d) of~~
 39 ~~Section 19617.2.~~

1 ~~(e) (1) After distribution of the applicable amounts as set forth~~
 2 ~~in subdivisions (a) and (b) and the payments made pursuant to~~
 3 ~~other relevant sections of this chapter, all funds remaining from~~
 4 ~~the deductions provided in Section 19610 shall be distributed 47.5~~
 5 ~~percent as commissions and 52.5 percent as purses. From the~~
 6 ~~amount distributed as thoroughbred purses, a sum equal to 0.07~~
 7 ~~percent of the total handle shall be held by the association to be~~
 8 ~~deposited with the official registering agency pursuant to~~
 9 ~~subdivision (a) of Section 19617.2, and shall thereafter be~~
 10 ~~distributed in accordance with subdivisions (b), (c), and (d) of~~
 11 ~~Section 19617.2.~~

12 ~~(2) Any additional amount generated for purses and not~~
 13 ~~distributed during the previous corresponding meeting shall be~~
 14 ~~added to the purses at the current meeting.~~

15 ~~(d) In addition to the amounts deducted pursuant to Section~~
 16 ~~19610, any fair racing association shall deduct 1 percent from the~~
 17 ~~total amount handled in its daily conventional and exotic~~
 18 ~~parimutuel pools. The additional 1 percent shall be deposited in~~
 19 ~~the Fair and Exposition Fund and is hereby appropriated for the~~
 20 ~~purposes specified in paragraph (6) of subdivision (a) of Section~~
 21 ~~19606.1.~~

22 ~~SEC. 4.~~

23 *SEC. 3.* Section 19620 of the Business and Professions Code
 24 is amended to read:

25 19620. (a) The Legislature finds and declares that the
 26 Department of Food and Agriculture is responsible for ensuring
 27 the integrity of the Fair and Exposition Fund, administering
 28 allocations from the fund to the network of California fairs, as
 29 defined in Sections 19418 to 19418.3, inclusive, and providing
 30 oversight of activities carried out by each California fair.

31 (b) Oversight shall include, but not be limited to, the following:

32 (1) Monitoring the solvency of the Fair and Exposition Fund.

33 (2) Distributing available state resources to the network of
 34 California fairs based on criteria for state allocations approved by
 35 the Secretary of Food and Agriculture. The criteria for the
 36 distribution of available state resources to the network of California
 37 fairs shall not include a consideration of the structure that governs
 38 the fair.

39 (3) Creating a framework for administration of the network of
 40 California fairs allowing for maximum autonomy and local

1 decisionmaking authority, and conducting, or causing to be
2 conducted, annual fiscal reviews.

3 (4) Requiring books and accounts for the prior calendar year of
4 all fairs receiving money from the fund to be examined and
5 reviewed annually and audited once every three years by an
6 independent certified public accountant or certified public
7 accountancy firm selected by the fair. A summary of this
8 examination, certified by the selected certified public accountant
9 or certified public accountancy firm, shall be appended to the fair's
10 annual statement of operations, along with the accountant or
11 accounting firm's recommendations, for the approval of the
12 secretary. The cost of a fair's annual review or audit shall be the
13 responsibility of each fair. With the approval of the secretary, two
14 or more fairs may conduct or contract for a joint review or audit.

15 (5) Guiding and providing incentives to fairs to seek matching
16 funds and generate new revenue from a variety of sources.

17 (6) Supporting continuous improvement of fair programming
18 to ensure that California fairs remain highly relevant community
19 institutions.

20 ~~SEC. 5.~~

21 *SEC. 4.* Section 19620.1 of the Business and Professions Code
22 is repealed.

23 ~~SEC. 6.~~

24 *SEC. 5.* Section 19620.2 of the Business and Professions Code
25 is amended to read:

26 19620.2. (a) Any unallocated balance in the Fair and
27 Exposition Fund is hereby appropriated without regard to fiscal
28 years for allocation by the Secretary of Food and Agriculture for
29 capital outlay to California fairs for fair projects involving public
30 health and safety, for fair projects involving major and deferred
31 maintenance, for fair projects necessary due to any emergency,
32 for projects that are required by physical changes to the fair site,
33 for projects that are required to protect the fair property or
34 installation, such as fencing and flood protection, and for the
35 acquisition or improvement of any property or facility that will
36 serve to enhance the operation of the fair.

37 (b) A portion of the funds subject to allocation pursuant to
38 subdivision (a) may be allocated to California fairs for general
39 operational support. It is the intent of the Legislature that these

1 moneys be used primarily for those fairs whose sources of revenue
2 may be limited for purposes specified in this section.

3 (c) As determined by the secretary, a reasonable amount of the
4 funds specified in subdivision (a) may be used during any year by
5 the Division of Fairs and Expositions to provide oversight and
6 administration of the network of California fairs pursuant to this
7 chapter.

8 ~~(d) The secretary shall annually project the available funds from
9 the Fair and Exposition Fund and shall advise the Joint Committee
10 on Fairs, Allocation, and Classification of the administrative budget
11 of the Division of Fairs and Expositions and the additional staff
12 and contracts necessary to develop and administer an operational
13 and policy framework to oversee the network of California fairs
14 and include that amount in the annual expenditure plan described
15 in subdivision (e).~~

16 ~~(e) The secretary shall prepare an annual expenditure plan for
17 use of the moneys available from the Fair and Exposition Fund
18 for review and approval by the Joint Committee on Fairs,
19 Allocation, and Classification. The Joint Committee on Fairs,
20 Allocation, and Classification shall review and concur, or not
21 concur, with the spending plan in total, and shall not add to, or
22 delete projects or line items from, the proposed allocation.~~

23 ~~(f) The secretary's recommendations to the Joint Committee on
24 Fairs, Allocation, and Classification shall be deemed approved 30
25 days after they are received unless they are rejected by the
26 committee.~~

27 ~~(g) If the Joint Committee on Fairs, Allocation, and
28 Classification does not concur with the secretary's
29 recommendations, the secretary may submit another set of
30 recommendations to the committee.~~

31 ~~SEC. 7.~~

32 ~~SEC. 6.~~ Section 3200 of the Food and Agricultural Code is
33 repealed.

34 ~~SEC. 8.~~

35 ~~SEC. 7.~~ Section 3200 is added to the Food and Agricultural
36 Code, to read:

37 3200. (a) The Legislature finds and declares that funding for
38 the network of California fairs is a cooperative venture and is
39 anticipated to be generated from multiple sources, public and
40 private. Because of the benefits that accrue to the state and to its

1 residents by virtue of having the fair industry participate
 2 cooperatively with the state for the purpose of effectively
 3 overseeing and promoting fairs within the state, the Legislature
 4 finds and declares that the fairs shall work collectively to identify
 5 and designate new funding sources for fairs to be utilized for the
 6 benefit of all fairs in the network.

7 (b) Notwithstanding any other law, all funds appropriated for
 8 California fairs and expositions pursuant to this chapter or any
 9 other law shall be deposited in the Fair and Exposition Fund and
 10 are continuously appropriated as specified in Sections 19606.1
 11 and 19620.2 of the Business and Professions Code.

12 (c) Notwithstanding Article 2 (commencing with Section 11270)
 13 of Chapter 3 of Part 1 of Division 3 of Title 2 of the Government
 14 Code relating to administrative costs, the California Exposition
 15 and State Fair and the fairs specified in Sections 19418.1, 19418.2,
 16 and 19418.3 of the Business and Professions Code shall only be
 17 assessed and pay a share of those costs directly related to personnel
 18 administration and no other administrative costs for services from
 19 other state agencies except costs for services rendered pursuant to
 20 specific contracts entered into with other state agencies.

21 ~~SEC. 9.~~

22 *SEC. 8.* Section 3954 of the Food and Agricultural Code is
 23 amended to read:

24 3954. Each association by its name has perpetual succession.
 25 It may have a seal. An association may be sued and may sue, and
 26 may do any and all things necessary to carry out the powers and
 27 the objects and purposes for which the association is formed.

28 ~~SEC. 10.~~

29 *SEC. 9.* Section 3965 of the Food and Agricultural Code is
 30 amended to read:

31 3965. The board may, with the approval of the department:

32 (a) Fix the term of office, the amount of bond, salary, and
 33 prescribe the duties of the secretary and of the treasurer.

34 (b) Manage the affairs of the association.

35 (c) Make all necessary bylaws, rules, and regulations for the
 36 government of the association.

37 (d) Delegate, as it may deem advisable, to its officers or
 38 employees any of the powers that are vested in the board under
 39 subdivision (b). Any delegation of power may be revoked at any
 40 time.

1 ~~SEC. 11.~~

2 *SEC. 10.* Section 3965.1 of the Food and Agricultural Code is
3 amended to read:

4 3965.1. (a) Notwithstanding Section 3965 or 4051, the board
5 may arrange for and conduct, or cause to be conducted, or by
6 contract permit to be conducted, by any other individual, institution,
7 corporation, or association, upon its property at a time as it may
8 be deemed advisable, any activity.

9 (b) Notwithstanding subdivision (a), revenue generating
10 contracts involving hazardous activities shall not be approved by
11 the board unless adequate insurance coverage is provided, as
12 determined by the department in consultation with the Department
13 of General Services.

14 ~~SEC. 12.~~

15 *SEC. 11.* Section 3967 of the Food and Agricultural Code is
16 amended to read:

17 3967. (a) Any director who misses three consecutive regular
18 meetings of the board without the permission of the board is
19 deemed to have resigned from the board.

20 (b) The Governor may remove a director for cause within one
21 year of the director's appointment.

22 ~~SEC. 13.~~

23 *SEC. 12.* Section 4051 of the Food and Agricultural Code is
24 repealed.

25 ~~SEC. 14.~~

26 *SEC. 13.* Section 4051 is added to the Food and Agricultural
27 Code, to read:

28 4051. (a) Subject only to the conditions specified in this
29 chapter, an association may do any of the following:

30 (1) Contract in accordance with all of the following:

31 (A) All applicable state laws governing contracts, except as
32 follows:

33 (i) ~~Any grant or~~ contract entered into by an association for
34 goods is not subject to Chapter 2 (commencing with Section 10290)
35 of Part 2 of Division 2 of the Public Contract Code.

36 (ii) Any ~~grant or~~ contract entered into by an association is not
37 subject to Chapter 3 (commencing with Section 12100) of Part 2
38 of Division 2 of the Public Contract Code.

39 (B) If the estimated total cost of any construction project or
40 similar work carried out under this section exceeds twenty-five

1 thousand dollars (\$25,000), the district agricultural association
2 shall solicit bids in writing and shall award the work to the lowest
3 responsible bidder or reject all bids. The district agricultural
4 association is subject to all applicable provisions of the Public
5 Contract Code.

6 (C) A district agricultural association may elect to become
7 subject to the provisions of the Uniform Public Construction Cost
8 Accounting Act (Chapter 2 (commencing with Section 22000) of
9 Part 3 of Division 2 of the Public Contract Code).

10 (2) Accept funds or gifts of value from the United States or any
11 person to aid in carrying out the purposes of this part.

12 (3) Conduct or contract for programs, and contract for the
13 purchase or lease of goods as are necessary for effectuating the
14 purposes of this chapter, either independently or in cooperation
15 with any individual, public or private organization, or federal,
16 state, or local governmental agency.

17 (4) Establish and maintain a bank checking account or other
18 financial institution account, approved by the Director of Finance
19 in accordance with Sections 16506 and 16605 of the Government
20 Code, for depositing funds received by the district agricultural
21 association. Notwithstanding Section 13340 of the Government
22 Code, all funds maintained in an account authorized by this
23 paragraph are continuously appropriated to the board, without
24 regard to fiscal year, to carry out this part.

25 (5) Approve the annual budget of the association and establish
26 a program for paying vendors who contract with the district
27 agricultural association.

28 (6) Contract with any county or county fair association for
29 holding a fair jointly with the county or county fair association.
30 The joint fair is a district fair of the association.

31 (7) Make or adopt all necessary orders, rules, or regulations for
32 governing the activities of the district agricultural association.
33 Notwithstanding Section 14, any orders, rules, or regulations
34 adopted by the board are exempt from Chapter 3.5 (commencing
35 with Section 11340) of Part 1 of Division 3 of Title 2 of the
36 Government Code. For informational purposes only, however, any
37 order, rule, or regulation adopted by the board may be transmitted
38 to the Office of Administrative Law for filing with the Secretary
39 of State pursuant to Section 11343 of the Government Code.

1 (8) Operate a payroll system for paying employees, and a system
2 for accounting for vacation and sick leave credits of employees.

3 (9) Delegate to the officers and employees of the district
4 agricultural association the exercise of powers vested in the board
5 as the board may deem desirable for the orderly management and
6 operation of the association.

7 (10) With the approval of the Department of General Services,
8 purchase, acquire, hold, sell, or exchange, or convey any interest
9 in real property for a period in excess of 20 years. Any acquisition
10 of land or other real property shall be subject to the Property
11 Acquisition Law (Part 11 (commencing with Section 15850) of
12 Division 3 of Title 2 of the Government Code).

13 (11) ~~Make~~ *With the approval of the Department of General*
14 *Services, make* permanent improvements upon publicly owned
15 real property adjacent to, or near the vicinity of, the real property
16 of the district agricultural association when the improvements
17 materially benefit the property of the association.

18 (12) *With the approval of the Department of General Services,*
19 *lease, let, or grant licenses for the use of its real property, or any*
20 *portion of that property, to any person or public body for whatever*
21 *purpose as may be approved by the board.*

22 ~~(12)~~

23 (13) Use or manage any of its property jointly or in connection
24 with any lessee or sublessee, for any purpose approved by the
25 board.

26 ~~(13)~~

27 (14) With the approval of the Department of General Services,
28 pledge any and all revenues, moneys, accounts, accounts
29 receivable, contract rights, and other rights to payment of whatever
30 kind, pursuant to such terms and conditions as are approved by
31 the board. The revenues, moneys, accounts, accounts receivable,
32 contract rights, and other rights to payment of whatever kind
33 pledged by the association or its assignees constitute a lien or
34 security interest that immediately attaches to the property pledged,
35 and is effective, binding, and enforceable against the association,
36 its successors, purchasers of the property so pledged, creditors,
37 and all others asserting rights therein, to the extent set forth, and
38 in accordance with, the terms and conditions of the pledge,
39 irrespective of whether those persons have notice of the pledge

1 and without the need for any physical delivery, recordation, filing,
2 or further action.

3 (b) (1) Notwithstanding any other law, an association shall
4 adopt a fiscal review policy as follows:

5 (A) An association with an annual budget exceeding five million
6 dollars (\$5,000,000) shall conduct an annual audit by an
7 independent certified public accountant or certified public
8 accountancy firm selected by the board.

9 (B) An association with an annual budget of less than five
10 million dollars (\$5,000,000) shall have its books and accounts
11 examined and reviewed annually and audited once every three
12 years by an independent certified public accountant or certified
13 public accountancy firm selected by the board.

14 (2) Notwithstanding paragraph (1), the department may require
15 an audit to be conducted before the times specified in
16 subparagraphs (A) and (B) of paragraph (1) if the department
17 deems the audit is necessary to protect the interests of the
18 association.

19 ~~SEC. 15.~~

20 *SEC. 14.* Section 4051.1 of the Food and Agricultural Code is
21 repealed.

22 ~~SEC. 16.~~

23 *SEC. 15.* Section 4051.2 of the Food and Agricultural Code is
24 repealed.

25 ~~SEC. 17.~~

26 *SEC. 16.* Section 4053 of the Food and Agricultural Code is
27 repealed.

28 ~~SEC. 18.~~

29 *SEC. 17.* Section 4053 is added to the Food and Agricultural
30 Code, to read:

31 4053. Notwithstanding Section 14660.5 of the Government
32 Code, the title, control, and possession of all personal property
33 acquired, held, managed, or operated by a district agricultural
34 association, including property controlled or possessed by the
35 association before the enactment of this section, vests with the
36 association.

37 ~~SEC. 19.~~ Section 4057 of the Food and Agricultural Code is
38 repealed.

1 ~~SEC. 20.~~

2 *SEC. 18.* Section 4401.5 of the Food and Agricultural Code is
3 repealed.

4 ~~SEC. 21.~~

5 *SEC. 19.* Section 11011.2 of the Government Code is amended
6 to read:

7 11011.2. (a) (1) Notwithstanding any other law, including,
8 but not limited to, Sections 11011 and 14670, except as provided
9 in this section, the Department of General Services may lease real
10 property under the jurisdiction of a state agency or department, if
11 the Director of General Services determines that the real property
12 is of no immediate need to the state but may have some potential
13 future use to the program needs of the agency or department.

14 (2) The Director of General Services may not lease any of the
15 following real property pursuant to this section:

16 (A) Tax-deeded land or lands under the jurisdiction of the State
17 Lands Commission.

18 (B) Land that has escheated to the state or that has been
19 distributed to the state by court decree in estates of deceased
20 persons.

21 (C) Lands under the jurisdiction of the State Coastal
22 Conservancy or another state conservancy.

23 (D) Lands under the jurisdiction of the Department of
24 Transportation or the California State University system, or land
25 owned by the Regents of the University of California.

26 (E) Lands under the jurisdiction of the Department of Parks and
27 Recreation.

28 (F) Lands under the jurisdiction of the Department of Fish and
29 Wildlife.

30 (3) A lease entered into pursuant to this section shall be set at
31 the amount of the lease's fair market value, as determined by the
32 Director of General Services. The Director of General Services
33 may determine the length of term or a use of the lease, and specify
34 any other terms and conditions that are determined to be in the
35 best interest of the state.

36 (b) The Department of General Services may enter into a
37 long-term lease of real property pursuant to this section that has
38 outstanding lease revenue bonds and for which the real property
39 cannot be disencumbered from the bonds, only if the issuer and
40 trustee for the bonds approves the lease transaction, and this

1 approval takes into consideration, among other things, that the
 2 proposed lease transaction does not breach a covenant or obligation
 3 of the issuer or trustee.

4 (c) (1) All issuer- and trustee-related costs for reviewing a
 5 proposed lease transaction pursuant to this section, and all other
 6 costs of the lease transaction related to the defeasance or other
 7 retirement of any bonds, including the cost of nationally recognized
 8 bond counsel, shall be paid from the proceeds of that lease.

9 (2) The Department of General Services shall be reimbursed
 10 for any reasonable costs or expenses incurred in conducting a
 11 transaction pursuant to this section.

12 (3) Notwithstanding subdivision (g) of Section 11011, the
 13 Department of General Services shall deposit into the General
 14 Fund the net proceeds of a lease entered into pursuant to this
 15 section, after deducting the amount of the reimbursement of costs
 16 incurred pursuant to this section or the reimbursement of
 17 adjustments to the General Fund loan made pursuant to Section 8
 18 of Chapter 20 of the 2009–10 Fourth Extraordinary Session from
 19 the lease.

20 (d) The Department of General Services shall transmit a report
 21 to each house of the Legislature on or before June 30, 2011, and
 22 on or before June 30 each year thereafter, listing every new lease
 23 that exceeds a period of five years entered into under the authority
 24 of this section and the following information regarding each listed
 25 lease:

26 (1) Lease payments.

27 (2) Length of the lease.

28 (3) Identification of the leasing parties.

29 (4) Identification of the leased property.

30 (5) Any other information the Director of General Services
 31 determines should be included in the report to adequately describe
 32 the material provisions of the lease.

33 *SEC. 20. Section 13332.09 of the Government Code is amended*
 34 *to read:*

35 13332.09. (a) A purchase order or other form of documentation
 36 for acquisition or replacement of motor vehicles shall not be issued
 37 against any appropriation until the Department of General Services
 38 has investigated and established the necessity therefor.

39 (b) A state agency shall not acquire surplus mobile equipment
 40 from any source for program support until the Department of

1 General Services has investigated and established the necessity
2 therefor.

3 (c) Notwithstanding any other law, any contract for the
4 acquisition of a motor vehicle or general use mobile equipment
5 for a state agency shall be made by or under the supervision of the
6 Department of General Services. Pursuant to Section 10298 of the
7 Public Contract Code, the Department of General Services may
8 collect a fee to offset the cost of the services provided.

9 (d) Any passenger-type motor vehicle purchased for a state
10 ~~officers, officer,~~ except a constitutional officer, or a state employee
11 shall be an American-made vehicle of the light class, as defined
12 by the California Victim Compensation and Government Claims
13 Board, unless excepted by the Director of General Services on the
14 basis of unusual requirements, including, but not limited to, use
15 by the California Highway Patrol, that would justify the need for
16 a motor vehicle of a heavier class.

17 (e) General use mobile equipment having an original purchase
18 price of twenty-five thousand dollars (\$25,000) or more shall not
19 be rented or leased from a nonstate source and payment therefor
20 shall not be made from any appropriation for the use of the
21 Department of Transportation, without the prior approval of the
22 Department of General Services after a determination that
23 comparable state-owned equipment is not available, unless
24 obtaining approval would endanger life or property, in which case
25 the transaction and the justification for not having sought prior
26 approval shall be reported immediately thereafter to the Department
27 of General Services.

28 (f) (1) The Trustees of the California State University shall, to
29 the greatest extent feasible, purchase vehicles using statewide
30 commodity contracts.

31 (2) The trustees shall make an interim report to the Governor
32 and the Legislature on January 1, 2014, and a final report on
33 January 1, 2015, on their motor vehicle procurement, including
34 all of the following:

35 (A) An inventory, by campus, of motor vehicles that includes
36 the type of vehicle, vehicle usage and fuel data consistent with the
37 Department of General Services fleet asset management system
38 and reported to the Department of General Services.

39 (B) The number of motor vehicles purchased during the prior
40 fiscal year, disaggregated by campus and type of vehicle if the

1 passenger vehicle or truck was purchased through statewide
2 commodity contracts, and the purchase price.

3 (C) Any change to a policy or procedure made during the prior
4 fiscal year related to motor vehicle procurement and contracts for
5 procurement and identifying any vehicle procured pursuant to the
6 new policy or procedure.

7 (D) The average time to complete procurements, average
8 administrative costs, reduced charges paid to the Department of
9 General Services, and competitive or reduced market prices
10 obtained for the vehicles.

11 (3) A report submitted pursuant to this subdivision shall be
12 submitted in compliance with Section 9795.

13 (g) As used in this section:

14 (1) "General use mobile equipment" means equipment that is
15 listed in the Mobile Equipment Inventory of the State Equipment
16 Council and capable of being used by more than one state agency,
17 and shall not be deemed to refer to equipment having a practical
18 use limited only to the controlling state agency. Section 575 of the
19 Vehicle Code shall not have application to this section.

20 (2) "State agency" means a state agency, as defined pursuant
21 to Section 11000. The University of California is requested and
22 encouraged to have the Department of General Services perform
23 the tasks identified in this section with respect to the acquisition
24 or replacement of motor vehicles by the University of California.
25 "*State agency*" does not include a district agricultural association,
26 as specified in Section 3802 of the Food and Agricultural Code.

27 (h) This section shall remain in effect only until July 1, 2015,
28 and as of that date is repealed.

29 ~~SEC. 22.~~

30 *SEC. 21.* This act is an urgency statute necessary for the
31 immediate preservation of the public peace, health, or safety within
32 the meaning of Article IV of the Constitution and shall go into
33 immediate effect. The facts constituting the necessity are:

34 In order to restore the viability of California fairs as soon as
35 possible, it is necessary that this act take effect immediately.

O

Date of Hearing: August 30, 2012

ASSEMBLY COMMITTEE ON APPROPRIATIONS
Mike Gatto, Chair

SB 741 (Cannella and Galgiani) - As Amended: August 19, 2013

Policy Committee:	Governmental
Organization Vote:	15 - 0
Agriculture	6 - 0

Urgency: Yes State Mandated Local Program:
No Reimbursable:

SUMMARY

This bill makes substantive changes to current law related to the operation, oversight, and funding of the network of California fairs. Specifically, this bill:

- 1) Removes the provision requiring that a portion of satellite wagering fees be deposited into a separate account in the Fair and Exposition Fund (F & E Fund) and instead requires that other revenue generated by racing fairs be deposited into the F & E Fund.
- 2) Permits, as determined by the Secretary of the California Department of Food and Agriculture (CDFA), a reasonable amount of the remaining unallocated balance in the F&E Fund be used by the Division of Fairs and Expositions (DFE) to provide oversight and administration of the network of California fairs.
- 3) Repeals the requirement that CDFA perform annual fiscal audits of the network of California fairs and instead requires annual reviews by an independent accounting firm.
- 4) Repeals annual legislative appropriations to CDFA for oversight and auditing of the network of California fairs and instead allows that the funding for oversight of the fairs be continuously appropriated.
- 5) States declarations and findings of the Legislature that funding for the network of California fairs is a cooperative venture and is anticipated to be generated from multiple

sources, public and private. Requires fairs to work collectively to identify and designate new funding sources to benefit all fairs in the network.

- 6) Exempts the fairs from paying their share of pro rata administrative costs to the state.
- 7) Exempts fairs from public contracting laws as it pertains to certain types of contracts.
- 8) Provides that the title, control, and possession of all personal property acquired, held, managed, or operated by a District Agricultural Association (DAA) vests with the association.

FISCAL EFFECT

- 1) This bill states legislative intent that a new funding source be found for the network of fairs. In addition the bill exempts the fairs from paying their pro rata share of state administrative costs. Therefore, based on the \$32 million historical funding level of the fairs, if those funds are restored in the future, the state could potentially lose over \$2.5 million in pro rata funding.
- 2) This bill removes the requirement that the budget for the state network of fairs be approved by the Legislature through the annual Budget Act and modifies and expands how the funding can be spent.

Allowing funds deposited in the F & E fund to be used for capital improvements for fair grounds and for the payment of expenses incurred developing and operating revenue generating projects such as horseracing facilities and industry training, could result in CDFA shifting hundreds of thousands and potentially millions of dollars per year from their current purposes to the new purposes outlined in the bill without legislative or Department of Finance approval and oversight.

- 3) This bill gives DAAs title, control and possession of all personal property held by a DAA. Therefore, this bill shifts

SB 741
Page 3

hundreds of thousands, if not millions, of dollars in state assets, including any artwork and cultural artifacts, from the state to the DAAs.

- 4) This bill continuously appropriates money credited to the F & E Fund and allows that funding to be used for state oversight of the fairs, among other purposes. The proposed continuous appropriation of funds is contrary to general committee policy to avoid continuous appropriations.

COMMENTS

1) Rationale . According to the author's office, this bill is intended to help DAAs deal with the new reality facing the network of California fairs as they exist today without state funding. The author's office notes that this bill is an attempt to start the process of moving fairs away from state oversight and providing them with some ability to operate more as private businesses or non-profit agencies. It is the author's belief that this bill will give fairs the necessary flexibility to operate more efficiently, save money and preserve jobs.

2) Background . There are a total of 78 fairs statewide. This network of fairs is composed of 52 DAAs, 23 county fairs, 2 citrus fruit fairs, and The California Exposition and State Fair (Cal Expo). DAAs are state government entities that are governed by nine-member gubernatorial appointed boards of directors. In contrast, county fairs are county government or not-for-profit organizations; citrus fruit fairs are not-for-profit organizations; and Cal Expo is a state agency.

The Division of Fairs and Expositions within CDFA provides fiscal and policy oversight for the network of California fairs, and the Department of General Services (DGS) provides oversight for use of state property, procurement, and services contracts.

Prior to 2009, funding for these fairs was supported in part by horse racing license fees. Beginning in 2009, \$32 million was continuously appropriated from the General Fund into the

F&E Fund to provide funding for the network of fairs. However, the General Fund support was eliminated in the 2011-12 budget, thus requiring the fairs to be self-sufficient. However, the governor and the Legislature have both expressed an interest

in finding a new funding source for the fairs in order to restore the funding.

Analysis Prepared by : Julie Salley-Gray / APPR. / (916)
319-2081

TALKING POINTS

- This is a choice between releasing thousands of dangerous criminals early or keeping them locked up. The Governor's plan will help keep Californians safe
- The plan – immediate capacity to comply with the court order and avoid early release, and long-term solutions developed in collaboration with local government and justice partners – is the best path forward.
- We have made massive changes to our criminal justice system – 42 thousand fewer people in prison than in 2006, 25 thousand less than two years ago.

BACKGROUND:

- California faces a court order that could lead to the early release of thousands of dangerous prisoners. This plan would comply with the court order, avoid early inmate releases and help protect public safety. Additional immediate prison capacity will prevent the early release of prisoners while the administration works with

stakeholders to find thoughtful and balanced solutions.

- A federal court has ordered California to comply with a prison inmate cap by December 31, 2013, which would require the early release of thousands of prisoners including many convicted of violent crimes. The Governor's plan to immediately add capacity to our prison system would avoid early release without compromising public safety.
- The state has already drastically reduced the prison population. There are about 42,000 fewer inmates than there were in 2006. About 25,000 of that decline has come since 2011 when the state implemented Realignment (AB 109).

FACT SHEET:

SHORT-TERM PRISON CAPACITY PLAN

Plan

- 24-month plan to achieve compliance with the court- ordered population cap, with no early release.
- All provisions will sunset after 3 years.

Statutory Provisions

- Authorize expedited process of contracting for out-of state private prison capacity as needed to achieve compliance with court order, based on available in-state capacity.
- Authorize expedited in-state private prison capacity (California City).
- Authorize expedited process of contracting for available county jail capacity.
- Authorize expedited process of contracting for available community corrections facilities for substance abuse treatment beds, to the extent feasible.
- Appropriation to fund all of the above--\$315 million for 2013-14.
- Authorize delayed closure date for California Rehabilitation Center.

Implementation

- In-state capacity is preferred and will be pursued to the maximum extent possible.
- Out-of-state capacity will be used to close the gap between in-state and the court-ordered cap.
- Because in-state requires start-up time, transfer of inmates out-of-state will begin immediately.

AMENDED IN ASSEMBLY AUGUST 27, 2013

SENATE BILL

No. 105

Introduced by Committee on Budget and Fiscal Review

January 10, 2013

An act relating to the Budget Act of 2013; to amend Section 15 of Chapter 42 of the Statutes of 2012, to amend, repeal, and add Sections 19050.2 and 19050.8 of the Government Code, and to amend, repeal, and add Sections 2910, 11191, and 13602 of, and to add and repeal Sections 2915 and 6250.2 of, the Penal Code, relating to corrections, and making an appropriation therefor, to take effect immediately, bill related to the budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 105, as amended, Committee on Budget and Fiscal Review. ~~Budget Act of 2013.~~ *Corrections.*

(1) Existing law requires the Department of Corrections and Rehabilitation to close the California Rehabilitation Center located in Norco, California, no later than either December 31, 2016, or 6 months after the construction of three Level II dorm facilities.

This bill would suspend this requirement pending a review by the Department of Finance and the Department of Corrections and Rehabilitation that determines the facility can be closed.

(2) The California Constitution establishes the civil service, to include every officer and employee of the state, except as provided, and requires permanent appointment and promotion in the civil service to be made under a general system based on merit ascertained by competitive examination.

Existing law requires the appointing power in all cases not exempted by the California Constitution to fill positions by appointment, including

cases of transfers, reinstatements, promotions, and demotions, in strict accordance with specified provisions of law, and requires that appointments to vacant positions be made from employment lists.

Existing law, subject to the approval of the State Personnel Board, allows an appointing agency to enter into arrangements with personnel agencies in other jurisdictions for the purpose of exchanging services and effecting transfers of employees.

This bill would, until January 1, 2017, make the private California City Correctional Center in California City an agency or jurisdiction for the purpose of exchanging services pursuant to the above provision and all related rules.

(3) Existing law allows the State Personnel Board to prescribe rules governing the temporary assignment or loan of employees within an agency or between agencies not to exceed 2 years, or between jurisdictions not to exceed 4 years, for specified purposes.

This bill would, until January 1, 2017, make the private California City Correctional Center in California City an agency or jurisdiction for the purpose of the above provision and all related rules for a period not to exceed 2 years.

(4) Existing law allows the Secretary of the Department of Corrections and Rehabilitation to enter into an agreement with a city, county, or city and county, to permit transfer of prisoners in the custody of the secretary to a jail or other adult correctional facility. Under existing law, prisoners transferred to a local facility remain under the legal custody of the department. Existing law prohibits any agreement pursuant to these provisions unless the cost per inmate in the facility is no greater than the average costs of keeping an inmate in a comparable facility of the department.

This bill would, until January 1, 2017, for purposes of entering into agreements pursuant to the above provisions, waive any process, regulation, or requirement relating to entering into those agreements. The bill would, until January 1, 2017, delete the provision requiring that prisoners transferred to a local facility remain under the legal custody of the department and would delete the requirement that no agreement be entered into unless the cost per inmate in the facility is no greater than the average costs of keeping an inmate in a comparable facility of the department. The bill would, until January 1, 2017, allow a transfer of prisoners to include inmates who have been sentenced to the department but remain housed in a county jail, and would specify that these prisoners shall be under the sole legal custody and jurisdiction

of the sheriff or other official having jurisdiction over the facility and not under the legal custody and jurisdiction of the department.

The bill would also, until January 1, 2017, allow the secretary to enter into one or more agreements in the form of a lease or operating agreement with private entities to obtain secure housing capacity in the state or in another state, upon terms and conditions deemed necessary and appropriate to the secretary. The bill would, until January 1, 2017, waive any process, regulation, or requirement that relates to the procurement or implementation of those agreements, except as specified. The bill would make the provisions of the California Environmental Quality Act inapplicable to these provisions.

(5) Existing law allows the Secretary of the Department of Corrections and Rehabilitation to establish and operate community correctional centers.

This bill would, until January 1, 2017, allow the secretary to enter into agreements for the transfer of prisoners to community correctional centers, and to enter into contracts to provide housing, sustenance, and supervision for inmates placed in community correctional centers. The bill would, until January 1, 2017, waive any process, regulation, or requirement that relates to entering into those agreements.

(6) Existing law allows any court or other agency or officer of this state having power to commit or transfer an inmate to any institution for confinement to commit or transfer that inmate to any institution outside this state if this state has entered into a contract or contracts for the confinement of inmates in that institution and the inmate, if he or she was sentenced under California law, has executed written consent to the transfer.

This bill would, until January 1, 2017, allow the secretary to transfer an inmate to a facility in another state without the consent of the inmate.

(7) Existing law establishes the Commission on Correctional Peace Officer Standards and Training (CPOST) within the Department of Corrections and Rehabilitation and requires the CPOST to develop, approve, and monitor standards for the selection and training of state correctional peace officers. Existing law allows for the use of training academies and centers, as specified.

This bill would, until January 1, 2017, allow the department to use a training academy established for the private California City Correctional Center.

(8) The bill would appropriate \$315,000,000 from the General Fund to the Department of Corrections and Rehabilitation for the purposes

of this measure. The bill would require the Secretary of the Department of Corrections and Rehabilitation to report no later than April 15, 2014, and again on April 15, 2015, to the Director of Finance and specified legislative committees detailing the number of inmates housed in leased beds and in contracted beds both inside and outside of the state pursuant to this measure.

The bill would require the Administration to assess the state prison system, including capacity needs, prison population levels, recidivism rates, and factors effecting crime levels. The bill would require the Department of Finance to report to the Legislature regarding balanced solutions that are cost effective and protect public safety not later than January 10, 2015.

(9) This bill would declare that it is to take effect immediately as a bill providing for appropriations related to the Budget Bill.

~~This bill would express the intent of the Legislature to enact statutory changes relating to the Budget Act of 2013.~~

Vote: majority. Appropriation: ~~no~~-yes. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The additional prison capacity authorized by this
 2 bill is an immediate measure to avoid early release of inmates and
 3 allow the state to comply with the federal court order. The measure
 4 will also provide time to develop additional thoughtful, balanced
 5 and effective long-term solutions with input from our local
 6 government and justice partners who are still adjusting to the
 7 recent criminal justice reforms of realignment. The long-term
 8 changes will build upon the transition of lower level offenders to
 9 local jurisdiction, the construction of new prison health care
 10 facilities, and improvements to existing health care facilities
 11 throughout the prison system. The administration shall begin
 12 immediately, in consultation with stakeholders, including
 13 appropriate legislative committees, to assess the state prison
 14 system, including capacity needs, prison population levels,
 15 recidivism rates, and factors affecting crime levels. Not later than
 16 January 10, 2015, the Department of Finance shall develop and
 17 report to the Legislature regarding balanced solutions that are
 18 cost effective and protect public safety.

1 *SEC. 2. Section 15 of Chapter 42 of the Statutes of 2012 is*
2 *amended to read:*

3 *Sec. 15. (a) The Department of Corrections and Rehabilitation*
4 *shall remove all inmates from, cease operations of, and close the*
5 *California Rehabilitation Center located in Norco, California, no*
6 *later than either December 31, 2016, or six months after*
7 *construction of the three Level II dorm facilities authorized in*
8 *Section 14 of this act, whichever is earlier.*

9 *(b) This requirement is hereby suspended pending a review by*
10 *the Department of Finance and the Department of Corrections*
11 *and Rehabilitation that determines the facility can be closed.*
12 *Closure of the facility shall not occur sooner than 30 days after*
13 *notification in writing to the Chair of the Joint Legislative Budget*
14 *Committee.*

15 *SEC. 3. Section 19050.2 of the Government Code is amended*
16 *to read:*

17 19050.2. *(a) Subject to the approval of the board, the*
18 *appointing authority may enter into arrangements with personnel*
19 *agencies in other jurisdictions for the purpose of exchanging*
20 *services and effecting transfers of employees.*

21 *(b) For purposes of this section, and all related rules, the*
22 *California City Correctional Center in California City is an agency*
23 *or jurisdiction for the duration of the two-year period described*
24 *in Section 19050.8.*

25 *(c) This section shall remain in effect only until January 1, 2017,*
26 *and as of that date is repealed, unless a later enacted statute, that*
27 *is enacted before January 1, 2017, deletes or extends that date.*

28 *SEC. 4. Section 19050.2 is added to the Government Code, to*
29 *read:*

30 19050.2. *(a) Subject to the approval of the board, the*
31 *appointing authority may enter into arrangements with personnel*
32 *agencies in other jurisdictions for the purpose of exchanging*
33 *services and effecting transfers of employees.*

34 *(b) This section shall become operative on January 1, 2017.*

35 *SEC. 5. Section 19050.8 of the Government Code is amended*
36 *to read:*

37 19050.8. The board may prescribe rules governing the
38 temporary assignment or loan of employees within an agency or
39 between agencies for a period not to exceed two years or between

1 jurisdictions for *a period* not to exceed four years for any of the
2 following purposes:

3 (a) To provide training to employees.

4 (b) To enable an agency to obtain expertise needed to meet a
5 compelling program or management need.

6 (c) To facilitate the return of injured employees to work.

7 These temporary assignments or loans shall be deemed to be in
8 accord with this part limiting employees to duties consistent with
9 their class and may be used to meet minimum requirements for
10 promotional as well as open examinations. An employee
11 participating in that arrangement shall have the absolute right to
12 return to his or her former position. Any temporary assignment or
13 loan of an employee made for the purpose specified in subdivision
14 (b) shall be made only with the voluntary consent of the employee.

15 In addition, out-of-class experience obtained in a manner not
16 described in this section may be used to meet minimum
17 requirements for promotional as well as open examinations, only
18 if it was obtained by the employee in good faith and was properly
19 verified under standards prescribed by board rule.

20 For purposes of this section, a temporary assignment or loan
21 between educational agencies or jurisdictions shall be extended
22 for up to two additional years upon a finding by the Superintendent
23 of Public Instruction or the Chancellor of the California
24 Community Colleges, and with the approval of the Executive
25 Officer of the State Personnel Board, that the extension is necessary
26 in order to substantially complete work on an educational
27 improvement project. However, the temporary assignment of any
28 local educator who is performing the duties of a nonrepresented
29 classification while on loan to a ~~state-education~~ *educational* agency
30 may be extended for as many successive two year intervals as
31 necessary by the Superintendent of Public Instruction or the
32 Chancellor of the California Community Colleges with the
33 concurrence of the ~~education~~ *educational* agency or jurisdiction.
34 Public and private colleges and universities shall be considered
35 educational agencies or jurisdictions within the meaning of this
36 section.

37 A temporary assignment within an agency or between agencies
38 may be extended by the board for up to two additional years in
39 order for an employee to complete an apprenticeship program.

1 (d) For the duration of a temporary assignment or loan not to
2 exceed two years, for the purposes of this section and all related
3 rules, the California City Correctional Center in California City,
4 which provides services equivalent to the core governmental
5 function of incarcerating inmates, shall be considered an agency
6 or jurisdiction.

7 (e) This section shall remain in effect only until January 1, 2017,
8 and as of that date is repealed, unless a later enacted statute, that
9 is enacted before January 1, 2017, deletes or extends that date.

10 SEC. 6. Section 19050.8 is added to the Government Code, to
11 read:

12 19050.8. The board may prescribe rules governing the
13 temporary assignment or loan of employees within an agency or
14 between agencies for a period not to exceed two years or between
15 jurisdictions for a period not to exceed four years for any of the
16 following purposes:

17 (a) To provide training to employees.

18 (b) To enable an agency to obtain expertise needed to meet a
19 compelling program or management need.

20 (c) To facilitate the return of injured employees to work.

21 These temporary assignments or loans shall be deemed to be in
22 accord with this part limiting employees to duties consistent with
23 their class and may be used to meet minimum requirements for
24 promotional as well as open examinations. An employee
25 participating in that arrangement shall have the absolute right to
26 return to his or her former position. Any temporary assignment
27 or loan of an employee made for the purpose specified in
28 subdivision (b) shall be made only with the voluntary consent of
29 the employee.

30 In addition, out-of-class experience obtained in a manner not
31 described in this section may be used to meet minimum
32 requirements for promotional as well as open examinations, only
33 if it was obtained by the employee in good faith and was properly
34 verified under standards prescribed by board rule.

35 For purposes of this section, a temporary assignment or loan
36 between educational agencies or jurisdictions shall be extended
37 for up to two additional years upon a finding by the Superintendent
38 of Public Instruction or the Chancellor of the California
39 Community Colleges, and with the approval of the Executive
40 Officer of the State Personnel Board, that the extension is

1 *necessary in order to substantially complete work on an*
 2 *educational improvement project. However, the temporary*
 3 *assignment of any local educator who is performing the duties of*
 4 *a nonrepresented classification while on loan to a state educational*
 5 *agency may be extended for as many successive two year intervals*
 6 *as necessary by the Superintendent of Public Instruction or the*
 7 *Chancellor of the California Community Colleges with the*
 8 *concurrence of the educational agency or jurisdiction. Public and*
 9 *private colleges and universities shall be considered educational*
 10 *agencies or jurisdictions within the meaning of this section.*

11 *A temporary assignment within an agency or between agencies*
 12 *may be extended by the board for up to two additional years in*
 13 *order for an employee to complete an apprenticeship program.*

14 *(d) This section shall become operative on January 1, 2017.*

15 *SEC. 7. Section 2910 of the Penal Code is amended to read:*

16 *2910. (a) The ~~Director~~ Secretary of the Department of*
 17 *Corrections and Rehabilitation may enter into an agreement with*
 18 *a city, county, or city and ~~county~~, county to permit transfer of*
 19 *prisoners in the custody of the ~~Director of Corrections~~ secretary*
 20 *to a jail or other adult correctional facility of the city, county, or*
 21 *city and county, if the sheriff or corresponding official having*
 22 *jurisdiction over the facility has consented thereto. The agreement*
 23 *shall provide for contributions to the city, county, or city and*
 24 *county toward payment of costs incurred with reference to such*
 25 *transferred prisoners.*

26 *(b) For purposes of this section, a transfer of prisoners under*
 27 *subdivision (a) may include inmates who have been sentenced to*
 28 *the department but remain housed in a county jail. These prisoners*
 29 *shall be under the sole legal custody and jurisdiction of the sheriff*
 30 *or corresponding official having jurisdiction over the facility and*
 31 *shall not be under the legal custody or jurisdiction of the*
 32 *Department of Corrections and Rehabilitation.*

33 *(c) Notwithstanding any other law, for purposes of entering into*
 34 *agreements under subdivision (a), any process, regulation,*
 35 *requirement, including any state governmental reviews or*
 36 *approvals, or third-party approval that is required under, or*
 37 *implemented pursuant to, any statute that relates to entering into*
 38 *those agreements is hereby waived.*

39 ~~(b)~~

1 (d) When an agreement entered into pursuant to subdivision (a)
2 or (c) is in effect with respect to a particular local facility, the
3 ~~Director of Corrections~~ secretary may transfer prisoners whose
4 terms of imprisonment have been fixed and parole violators to the
5 facility.

6 (e)

7 (e) Prisoners so transferred to a local facility may, with approval
8 of the ~~Director of Corrections~~ notice to the secretary, participate
9 in programs of the facility, including, *but not limited to*, work
10 furlough rehabilitation programs.

11 ~~(d) Prisoners transferred to such facilities are subject to the rules~~
12 ~~and regulations of the facility in which they are confined, but~~
13 ~~remain under the legal custody of the Department of Corrections~~
14 ~~and shall be subject at any time, pursuant to the rules and~~
15 ~~regulations of the Director of Corrections, to be detained in the~~
16 ~~county jail upon the exercise of a state parole or correctional~~
17 ~~officer's peace officer powers as specified in Section 830.5, with~~
18 ~~the consent of the sheriff or corresponding official having~~
19 ~~jurisdiction over the facility.~~

20 (e)

21 (f) The ~~Director of Corrections~~ secretary, to the extent possible,
22 shall select city, county, or city and county facilities in areas where
23 medical, food, and other support services are available from nearby
24 existing prison facilities.

25 (f)

26 (g) The ~~Director of Corrections~~ secretary, with the approval of
27 the Department of General Services, may enter into an agreement
28 to lease state property for a period not in excess of 20 years to be
29 used as the site for a facility operated by a city, county, or city and
30 county authorized by this section.

31 ~~(g) No agreement may be entered into under this section unless~~
32 ~~the cost per inmate in the facility is no greater than the average~~
33 ~~costs of keeping an inmate in a comparable facility of the~~
34 ~~department, as determined by the director.~~

35 (h) *This section shall remain in effect only until January 1, 2017,*
36 *and as of that date is repealed, unless a later enacted statute, that*
37 *is enacted before January 1, 2017, deletes or extends that date.*

38 SEC. 8. Section 2910 is added to the Penal Code, to read:

39 2910. (a) *The Secretary of the Department of Corrections and*
40 *Rehabilitation may enter into an agreement with a city, county, or*

1 city and county to permit transfer of prisoners in the custody of
2 the secretary to a jail or other adult correctional facility of the
3 city, county, or city and county, if the sheriff or corresponding
4 official having jurisdiction over the facility has consented thereto.
5 The agreement shall provide for contributions to the city, county,
6 or city and county toward payment of costs incurred with reference
7 to such transferred prisoners.

8 (b) When an agreement entered into pursuant to subdivision
9 (a) is in effect with respect to a particular local facility, the
10 secretary may transfer prisoners whose terms of imprisonment
11 have been fixed and parole violators to the facility.

12 (c) Prisoners so transferred to a local facility may, with
13 approval of the secretary, participate in programs of the facility,
14 including, but not limited to, work furlough rehabilitation
15 programs.

16 (d) Prisoners transferred to such facilities are subject to the
17 rules and regulations of the facility in which they are confined,
18 but remain under the legal custody of the Department of
19 Corrections and Rehabilitation and shall be subject at any time,
20 pursuant to the rules and regulations of the secretary, to be
21 detained in the county jail upon the exercise of a state parole or
22 correctional officer's peace officer powers, as specified in Section
23 830.5, with the consent of the sheriff or corresponding official
24 having jurisdiction over the facility.

25 (e) The secretary, to the extent possible, shall select city, county,
26 or city and county facilities in areas where medical, food, and
27 other support services are available from nearby existing prison
28 facilities.

29 (f) The secretary, with the approval of the Department of
30 General Services, may enter into an agreement to lease state
31 property for a period not in excess of 20 years to be used as the
32 site for a facility operated by a city, county, or city and county
33 authorized by this section.

34 (g) An agreement shall not be entered into under this section
35 unless the cost per inmate in the facility is no greater than the
36 average costs of keeping an inmate in a comparable facility of the
37 department, as determined by the secretary.

38 (h) This section shall become operative on January 1, 2017.

39 SEC. 9. Section 2915 is added to the Penal Code, to read:

1 2915. (a) *The Secretary of the Department of Corrections and*
2 *Rehabilitation may enter into one or more agreements to obtain*
3 *secure housing capacity within the state. These agreements may*
4 *be entered into with private entities and may be in the form of a*
5 *lease or an operating agreement. The secretary may procure and*
6 *enter these agreements on terms and conditions he or she deems*
7 *necessary and appropriate. Notwithstanding any other law, any*
8 *process, regulation, requirement, including any state governmental*
9 *reviews or approvals, or third-party approval that is required*
10 *under statutes that relate to the procurement and implementation*
11 *of those agreements is hereby waived, however, no agreement*
12 *shall contain terms, either directly or indirectly, that involve the*
13 *repayment of any debt issuance or other financing and, consistent*
14 *with state law, shall provide that payment of that agreement is*
15 *subject to appropriation.*

16 (b) *The Secretary of the Department of Corrections and*
17 *Rehabilitation may enter into one or more agreements to obtain*
18 *secure housing capacity in another state. These agreements may*
19 *be entered into with private entities and may be in the form of an*
20 *operating agreement or other contract. The secretary may procure*
21 *and enter these agreements on terms and conditions he or she*
22 *deems necessary and appropriate. Notwithstanding any other law,*
23 *any process, regulation, requirement, including any state*
24 *governmental reviews or approvals, or third-party approval that*
25 *is required under statutes that relate to the procurement and*
26 *implementation of those agreements is hereby waived, however,*
27 *no agreement shall contain terms, either directly or indirectly,*
28 *that involve the repayment of any debt issuance or other financing*
29 *and, consistent with state law, shall provide that payment of that*
30 *agreement is subject to appropriation. This subdivision does not*
31 *authorize the department to operate a facility out of state.*

32 (c) *The provisions of Division 13 (commencing with Section*
33 *21000) of the Public Resources Code do not apply to this section.*

34 (d) *This section shall remain in effect only until January 1, 2017,*
35 *and as of that date is repealed, unless a later enacted statute, that*
36 *is enacted before January 1, 2017, deletes or extends that date.*

37 SEC. 10. *Section 6250.2 is added to the Penal Code, to read:*

38 6250.2. (a) *The Secretary of the Department of Corrections*
39 *and Rehabilitation may enter into agreements for the transfer of*
40 *prisoners to, or placement of prisoners in, community correctional*

1 centers. The secretary may enter into contracts to provide housing,
 2 sustenance, and supervision for inmates placed in community
 3 correctional centers.

4 (b) Notwithstanding any other law, for the purposes of entering
 5 into agreements under subdivision (a), any process, regulation,
 6 requirement, including any state government reviews or approvals,
 7 or third-party approval that is required under, or implemented
 8 pursuant to, any statute that relates to entering into those
 9 agreements is hereby waived.

10 (c) This section shall remain in effect only until January 1, 2017,
 11 and as of that date is repealed, unless a later enacted statute, that
 12 is enacted before January 1, 2017, deletes or extends that date.

13 SEC. 11. Section 11191 of the Penal Code is amended to read:

14 11191. (a) Any court or other agency or officer of this state
 15 having power to commit or transfer an inmate—(as, as defined in
 16 Article II(d) of the Interstate Corrections Compact or of the
 17 Western Interstate Corrections—Compact) Compact, to any
 18 institution for confinement may commit or transfer that inmate to
 19 any institution within or without this state if this state has entered
 20 into a contract or contracts for the confinement of inmates in that
 21 institution pursuant to Article III of the Interstate Corrections
 22 Compact or of the Western Interstate Corrections—Compact, but
 23 no inmate Compact.

24 (b) An inmate sentenced under California law ~~may~~ shall not be
 25 committed or transferred to an institution outside of this state,
 26 unless he or she has executed a written consent to the transfer. The
 27 inmate shall have the right to a private consultation with an attorney
 28 of his choice, or with a public defender if the inmate cannot afford
 29 counsel, concerning his rights and obligations under this section,
 30 and shall be informed of those rights prior to executing the written
 31 consent. At any time more than five years after the transfer, the
 32 inmate shall be entitled to revoke his consent and to transfer to an
 33 institution in this state. In such cases, the transfer shall occur within
 34 the next 30 days.

35 ~~(b) This section shall become operative on July 1, 2011, or at~~
 36 ~~such time as the Department of Corrections and Rehabilitation has~~
 37 ~~replaced “temporary beds,” as defined in paragraph (3) of~~
 38 ~~subdivision (a) of Section 15819.34 of the Government Code,~~
 39 ~~whichever is sooner.~~

1 (c) Notwithstanding the requirements in this section or Section
2 11194, the secretary may transfer an inmate to a facility in another
3 state without the consent of the inmate.

4 (d) Inmates who volunteer by submitting a request to transfer
5 and are otherwise eligible shall receive first priority under this
6 section.

7 (e) This section shall remain in effect only until January 1, 2017,
8 and as of that date is repealed, unless a later enacted statute, that
9 is enacted before January 1, 2017, deletes or extends that date.

10 SEC. 12. Section 11191 is added to the Penal Code, to read:

11 11191. (a) Any court or other agency or officer of this state
12 having power to commit or transfer an inmate, as defined in Article
13 II(d) of the Interstate Corrections Compact or of the Western
14 Interstate Corrections Compact, to any institution for confinement
15 may commit or transfer that inmate to any institution within or
16 outside of this state if this state has entered into a contract or
17 contracts for the confinement of inmates in that institution pursuant
18 to Article III of the Interstate Corrections Compact or of the
19 Western Interstate Corrections Compact.

20 (b) No inmate sentenced under California law may be committed
21 or transferred to an institution outside of this state, unless he or
22 she has executed a written consent to the transfer. The inmate shall
23 have the right to a private consultation with an attorney of his
24 choice, or with a public defender if the inmate cannot afford
25 counsel, concerning his rights and obligations under this section,
26 and shall be informed of those rights prior to executing the written
27 consent. At any time more than five years after the transfer, the
28 inmate shall be entitled to revoke his consent and to transfer to an
29 institution in this state. In such cases, the transfer shall occur
30 within the next 30 days.

31 (c) This section shall become operative on January 1, 2017.

32 SEC. 13. Section 13602 of the Penal Code is amended to read:

33 13602. (a) The Department of Corrections and Rehabilitation
34 may use the training academy at Galt or the training center in
35 Stockton. The academy at Galt shall be known as the Richard A.
36 McGee Academy. The training divisions, in using the funds, shall
37 endeavor to minimize costs of administration so that a maximum
38 amount of the funds will be used for providing training and support
39 to correctional peace officers while being trained by the
40 department.

1 (b) Notwithstanding subdivision (a), and pursuant to Section
 2 13602.1, the Department of Corrections and Rehabilitation may
 3 use a training academy established for the California City
 4 Correctional Center. This academy, in using the funds, shall
 5 endeavor to minimize costs of administration so that a maximum
 6 amount of the funds will be used for providing training and support
 7 to correctional employees who are being trained by the department.

8 ~~(b)~~

9 (c) Each new cadet who attends an academy shall complete the
 10 course of training, pursuant to standards approved by the CPOST
 11 before he or she may be assigned to a post or job as a peace officer.
 12 Every newly appointed first-line or second-line supervisor in the
 13 Department of Corrections and Rehabilitation shall complete the
 14 course of training, pursuant to standards approved by the CPOST
 15 for that position.

16 ~~(e)~~

17 (d) The Department of Corrections and Rehabilitation shall
 18 make every effort to provide training prior to commencement of
 19 supervisory duties. If this training is not completed within six
 20 months of appointment to that position, any first-line or second-line
 21 supervisor shall not perform supervisory duties until the training
 22 is completed.

23 ~~(d) This section shall become operative July 1, 2012.~~

24 (e) This section shall remain in effect only until January 1, 2017,
 25 and as of that date is repealed, unless a later enacted statute, that
 26 is enacted before January 1, 2017, deletes or extends that date.

27 SEC. 14. Section 13602 is added to the Penal Code, to read:

28 13602. (a) The Department of Corrections and Rehabilitation
 29 may use the training academy at Galt or the training center in
 30 Stockton. The academy at Galt shall be known as the Richard A.
 31 McGee Academy. The training divisions, in using the funds, shall
 32 endeavor to minimize costs of administration so that a maximum
 33 amount of the funds will be used for providing training and support
 34 to correctional peace officers while being trained by the
 35 department.

36 (b) Each new cadet who attends an academy shall complete the
 37 course of training, pursuant to standards approved by the CPOST,
 38 before he or she may be assigned to a post or job as a peace officer.
 39 Every newly appointed first-line or second-line supervisor in the
 40 Department of Corrections and Rehabilitation shall complete the

1 course of training, pursuant to standards approved by the CPOST
2 for that position.

3 (c) The Department of Corrections and Rehabilitation shall
4 make every effort to provide training prior to commencement of
5 supervisory duties. If this training is not completed within six
6 months of appointment to that position, any first-line or second-line
7 supervisor shall not perform supervisory duties until the training
8 is completed.

9 (d) This section shall become operative January 1, 2017.

10 SEC. 15. (a) There is hereby appropriated from the General
11 Fund the amount of three hundred fifteen million dollars
12 (\$315,000,000) to the Department of Corrections and
13 Rehabilitation for purposes of implementing this act.

14 (b) (1) Not later than April 15, 2014, and again not later than
15 April 15, 2015, the Secretary of the Department of Corrections
16 and Rehabilitation shall submit a report to the Director of Finance
17 and the chairpersons and vice chairpersons of the committees in
18 both houses of the Legislature that consider the state budget, and
19 to the Assembly Committee on Public Safety and the Senate
20 Committee on Public Safety, detailing the number of inmates
21 housed in leased beds and in contracted beds both within and
22 outside of the state pursuant to the provisions of this act. The report
23 shall provide the specific number of inmates moved to each facility
24 and shall identify all costs associated with housing these inmates.

25 (2) The requirement for submitting a report imposed under this
26 subdivision is inoperative on January 1, 2017, pursuant to Section
27 10231.5 of the Government Code.

28 (3) A report to be submitted pursuant to this subdivision shall
29 be submitted in compliance with Section 9795 of the Government
30 Code.

31 SEC. 16. This act is a bill providing for appropriations related
32 to the Budget Bill within the meaning of subdivision (e) of Section
33 12 of Article IV of the California Constitution, has been identified
34 as related to the budget in the Budget Bill, and shall take effect
35 immediately.

36 ~~SECTION 1. It is the intent of the Legislature to enact statutory~~
37 ~~changes relating to the Budget Act of 2013.~~

O

STATE CAPITOL
SACRAMENTO, CA 95814
(916) 651-4006



FOR IMMEDIATE RELEASE
August 28, 2013

Contact: Mark Hedlund
916-651-4006

Steinberg Announces Proposal to Reach Prison Accord & Resolve Prison Overcrowding Crisis

(Sacramento, CA) – California Senate leader Darrell Steinberg and the Senate Democratic Caucus have unveiled a proposal to end the federal litigation over California’s prison overcrowding crisis. Senator Steinberg outlined his solution in a letter to both the Governor and the plaintiffs in the cases that led to the federal Three Judge Panel’s order to further reduce California’s prison population by the end of this year.

"The federal courts have put us in the untenable position of either releasing thousands of inmates from our prisons early, or putting our prison capacity on steroids by renting new prison beds at the cost of hundreds of millions of dollars for years to come," Steinberg explained. "Neither option makes any sense. We can do far better, and would be wrong to give up now."

The Senate plan would achieve a durable solution to California’s chronic prison overcrowding by reducing crime through performance-based grant programs. The grants would incentivize counties to expand proven rehabilitation, drug and mental health treatment programs for criminal offenders. Additionally, the state would create an Advisory Commission on Public Safety to analyze and recommend changes in California’s sentencing laws.

In return, Senator Steinberg asks that the plaintiffs in the federal lawsuit agree to extend the current December 31, 2013 deadline for meeting the court-imposed population cap by three years. The proposal asks all parties to allow an independent state panel to evaluate and determine proper population levels for California’s prisons based on standards and practices employed by correctional administrators across the country.

“Governor Brown has a well-earned reputation as a good steward of the public purse; throwing this expensive Band-Aid on a hemorrhage threatens to undermine our hard work,” said Steinberg.

The Performance Incentive Public Safety Grant Program proposed by Senator Steinberg is modeled after a 2009 effort which, in just two years, reduced new prison admissions by more than 9,500, with \$536 million in state savings over three years.

“We cannot build or rent our way out of overcrowded prisons,” Steinberg said. “Circumstances have brought us to this moment, where our policy and fiscal decisions on how we manage criminal offenders will impact generations to come. Realignment has opened the door of positive change, but if we misstep now, that door will slam closed. Relying solely on more prison beds is repeating the same failed investments of the past. We need solutions rooted in effective strategies to reduce crime, and we need the time to implement these real reforms. That's where I hope the Governor and the plaintiffs will find common ground.”

Please find attached a copy of Senator Steinberg’s letter to the Governor and the plaintiffs, an outline of the proposal, and data from a recent poll showing strong public support for correctional reforms.

###

Settle Prison Overcrowding Lawsuit, Deliver Durable Solution

KEY POINTS

- Early release of any prisoners is not a safe option and the Governor's plan to expand capacity is not a durable solution.
- As California's population grows, it's only a small matter of time until the Governor's new prison cells are overcrowded again, and the Court orders early prisoner releases.
- California Senate Democrats propose a change of strategy, which:
 - Settles the prison overcrowding lawsuit;
 - Delivers a durable solution to prison overcrowding;
 - Reduces recidivism and as a result, reduces crime;
 - Requires no early releases.

KEY DATA

- 65 percent of prisoners will commit another crime after their sentences are complete, and return to prison.
- California has nearly tripled its number of prisons since 1980 (from 12 to 33), yet our prisons are still over capacity.
- A Corrections Department study recently showed that inmates who combined substance abuse treatment while on the inside with follow-up care on the outside cut their recidivism rate in half.
- SB 678 (Leno, 2009), incentivized counties to implement smarter crime reduction strategies, resulting in 9,536 fewer prison admissions and \$284.6 million (\$536 million cumulative) in cost savings.

THE PROPOSAL

- *Settlement:* The parties to 3-judge panel enter into a settlement agreement no later than September 13, 2013, pursuant to the terms outlined in the proposal.
- *Time extension:* The plaintiffs agree to a time extension of no later than December 31, 2016 for the state to meet and thereafter not exceed a cap identified by a neutral state panel (see below).
- *Fewer new prisoners and better public safety:* Establishes a "Performance Incentive Public Safety Grant Program" to reduce prison admissions through evidence-based community rehabilitation programs.
- *Advisory Commission:* The state creates in statute no later than October 2013 an 18-member Public Safety Advisory Commission, to make recommendations on long-term prison overcrowding.
- *Appeal:* The state drops its appeal of population cap order (137.5%). However, the state may continue to appeal the underlying constitutional issues.

- *Cap*: The Governor appoints a neutral panel—with input from the plaintiffs—to update and determine an appropriate prison population cap.

BACKGROUND

Contrast with the Governor’s proposal

- The Governor’s proposal relies solely on new, temporary, prison capacity—by renting private prison beds in California and other states. Renting California way out of the problem offers no hope or promise for ongoing solutions.
 - Our proposal does.
- The Governor’s proposal, costing over \$700 million (\$315 million this fiscal year, \$400 million next fiscal year), could put us back in an operating deficit next year.
 - Our proposal costs much less and saves money in the long run.
- The Governor’s proposal does nothing to address overcrowding in the long run, and does nothing to settle ongoing, costly, and thus-far- unproductive prison capacity litigation.
 - Our proposal settles the losing litigation battle.
- The Governor’s proposal is highly risky and when (not if!) California exceeds its cap again, we will risk a Court-ordered early release of prison inmates.
 - Our proposal ensures no early releases as a result of the state failing to meet the population cap by December 31, 2013.

How would the “Performance Incentive” programs work?

- The objectives of the Performance Incentives is to reduce prison overcrowding through improved public safety, not early release of inmates, and incentivize counties to adopt evidence-based community programs that have demonstrated successful results in reducing recidivism
- Incentive grants would be based on a formula tied to county felony crime rate reductions as measured by new prison admissions.
- Incentive grants are solely for locally-based programs demonstrated to reduce the incidence of crime, particularly among offenders on mandatory supervision, post-release community supervision, probation and juvenile offenders.
- This is *new* funding for County Boards of Supervisors; not tied to existing realignment funding or any population shift.
- The program expands upon the very successful Community Corrections Performance Incentive Act of 2009 (SB 678, Leno), and incentivizes improved outcomes for *all* offenders at the local level, not just felony probationers. An analysis by the Administrative Office of the Courts (AOC) shows that in the second year of implementation (calendar year 2011), the SB 678 program reduced the number of offenders returning to prison by 9,500, with more than \$284 million (\$536 million cumulative) in cost savings to the state.

- The Administrative Office of the Courts (AOC) would be mandated to create outcome-based performance measures to monitor the effectiveness of the practices and programs funded by the Act. AOC and local law enforcement partners are required to submit annual reports to the state evaluating the effectiveness of the county in reducing crime and admissions to prison (AOC does the same now for the SB 678 program).
- There would be three stages:
 - Stage I: Seed money to all counties based on a per capita formula to establish program capacity for collaborative courts, mental health, substance abuse, reentry services and other programs demonstrated to reduce recidivism.
 - Stage II: Combination of seed and performance grants to transition into incentive-based funding.
 - Stage III: Incentive-based grants based on county performance in reducing prison admissions.

How would the Advisory Commission on Sentencing and Correctional Practices work?

- Funded and assembled immediately.
- The Advisory Commission would represent specific fields and bring specific expertise: 8 of the 18 appointees would be dedicated law enforcement; others include defense bar, academic, advocate, judicial and expert.
- Duties include developing recommendations for the Legislature and Governor to consider in 2015 that would address long-term prison capacity, including sentencing and evidence-based community programs for criminal offenders. Prepare recommendations for CDCR secretary no later than December 1, 2014.
- The state would create in statute an 18-member Advisory Commission on Public Safety. Appointments include 11 by Governor, 2 by California Chief Justice, 4 by legislative leaders, and 1 by Attorney General. One seat on the Advisory Commission would be designated for a prison inmate advocate.

How much would the proposal cost?

- The primary cost is for the incentive program, about \$100 million in “seed money” for the incentive grants in the current year.
- Future funding could grow, but the actual costs would be based solely on the performance of counties in reducing their prison admissions and improving public safety. Proposal would be paid for from our projected reserves.

STATE CAPITOL
ROOM 205
SACRAMENTO, CA 95814
TEL (916) 651-4006
FAX (916) 323-2263

DISTRICT OFFICE
1020 N STREET, ROOM 576
SACRAMENTO, CA 95814
TEL (916) 651-1529
FAX (916) 327-8754

California State Senate

SENATOR
DARRELL STEINBERG
PRESIDENT PRO TEMPORE
SIXTH SENATE DISTRICT

STANDING COMMITTEES:
SENATE RULES
CHAIR
APPROPRIATIONS
PUBLIC SAFETY

August 28, 2013



The Honorable Edmund G. Brown, Jr.
Governor, State of California
State Capitol, First Floor
Sacramento, CA 95814

Don Specter
Director, Prison Law Office
1917 5th Street
Berkeley, CA 94710

Dear Governor Brown and Mr. Specter:

As you know, our state is facing a virtually impossible December 31, 2013 deadline to meet the court ordered population cap by removing approximately 10,000 inmates from 33 state prisons. Moreover, California confronts an even more daunting challenge after the deadline: maintaining long-term prison population levels both compliant with federal court orders and consistent with effective correctional practices. I am very concerned that the Administration's plan - which would commit \$730 million General Fund over two years merely for temporary prison capacity - neither meets the deadline nor resolves the factors fueling the prison overcrowding crisis.

Temporarily expanding California's prison capacity is neither sustainable nor fiscally responsible. Nearly 25 years ago, the California Blue Ribbon Commission on Inmate Population Management warned, "(w)ithout changes in correctional policies and practices, prison overcrowding will be a major state and local government issue into the next century ... The Commission has come to the predominant conclusion that the criminal justice system in California is out of balance."

Short-term fixes provide no sustainable remedy.

I have staunchly supported this administration's efforts to defend California's remarkable progress in reducing its prison population. I share the frustration that the federal Three-Judge Panel thus far has failed to acknowledge this progress, pressing an arbitrary standard and deadline we cannot safely meet. Yet, the federal court is right in at least one respect: California must pursue and implement a durable remedy to resolve prison overcrowding. In 2011, realignment was a giant leap in that direction. Now, California needs additional time and tools to fully achieve not only that durable remedy, but a more effective and sustainable criminal justice system.



As the leader of the State Senate and Senate Democratic Caucus, I ask both the plaintiffs and the administration to adopt the durable remedy summarized in the attachment to this letter. This pathway, while requiring concessions, ultimately will fulfill your common interests as well as the greater common good.

My proposed settlement would avoid any threat of early inmate releases. It would require a minimum three-year extension of the December 31, 2013 deadline; establish an Advisory Commission on Public Safety to make long-term recommendations for the Governor and Legislature to consider; establish a panel of specified experts to determine prison population levels necessary for a constitutional level of care; and establish significant performance incentive grants to counties to reduce new prison admissions through more effective local programs.

The Administration's current plan is a risky gamble. My proposal provides additional time and resources to build an enduring solution, recalibrating our correctional system through evidence-based practices and policies.

California has made extraordinary strides, safely reducing the state's prison population by more than 40,000 inmates over the last several years. We've done it through realignment and other reforms. For example, Senate Bill 678 in 2009 (the California Community Corrections Performance Incentives Act) created a performance-based incentive program to support more successful probation supervision. In 2011, SB 678 reduced the prison population by 9,536 inmates, saving the state \$284 million in just that single year. Simply put, SB 678 allowed probation departments to reduce the failure rate of felons on probation, meaning fewer of them ended up going to prison.

This crisis presents an opportunity to rethink criminal justice strategy and deliver a durable remedy to California's prison overcrowding, grounded in a commitment to reducing criminal behavior through evidence-based practices and policies. I respectfully urge both of you to consider this proposal that reflects not only your mutual interests, but also the interests of the parties you represent and, most importantly, the people of the great state of California.

Thank you for your consideration.

Sincerely,



DARRELL STEINBERG
President pro Tempore

DS:dk

Cc: The Honorable John A. Perez
The Honorable Thelton E. Henderson
The Honorable Stephen Reinhardt
The Honorable Lawrence K. Karlton

The Safe, Sustainable and Fiscally Responsible Plan to Reduce Crime and Settle the Prison Overcrowding Crisis

August 28, 2013

Key Terms

- 1) The parties to the *Plata/Coleman* Three Judge Panel Population Order would enter into a settlement agreement no later than September 13, 2013, with respect to prison overcrowding pursuant to the terms outlined in this proposal.
- 2) The parties would agree to abide by a population cap as determined by a state panel of experts appointed as follows: 2 members appointed by Governor, 2 members named by the Plaintiffs, and one member who shall be a justice of the Court of Appeal with expertise in prison management issues appointed by the Chief Justice, who shall serve as chair and vote only in the event of a tie. The panel shall establish the population level that would be necessary to provide a constitutional level of care. The level would be measured by a percent of design capacity.
- 3) Plaintiffs would agree to a time extension of no later than December 31, 2016, for the state to meet and thereafter not exceed the established cap.
- 4) The State would agree to comply with, and reduce the population to at least, the established cap, and adopt necessary measures to ensure that the population remains at or below the cap.
- 5) The State would agree to withdraw its appeal of the Population Cap Order. The parties would agree to jointly seek a stipulated agreement that the existing Population Cap Order not be enforced.
- 6) The State would create in statute no later than October 2013 an 18-member Advisory Commission on Public Safety with the following key features:
 - Advisory, not mandatory body.
 - Authorized and funded to hire staff, pay expenses and travel for members, etc.
 - CDCR, DOJ, and other necessary state agencies would provide technical assistance.
 - Appointments: 11 gubernatorial, 2 California Chief Justice, 4 legislative, and 1 Attorney General .
 - Governor would appoint the chair and executive director.
 - Composition: 8 of 18 dedicated law enforcement; others include defense bar, academic, advocate, judicial and expert.
 - Funded and assembled immediately.

- Duties: Develop statutory and regulatory recommendations for the Legislature and Governor to consider in 2015 that would address long-term prison capacity, staying within the cap, including changes in criminal sentencing and evidence-based programming for criminal offenders.
 - Prepare sentencing credit recommendations for CDCR secretary (and/or Legislature and Governor) no later than December 1, 2014.
- 7) The State would establish in state law no later than October 2013 a “Performance Incentive Public Safety Grant Program” (\$200 million, growing to \$300 million annually) to reduce prison admissions in the mid- and long-term through more effective local criminal justice practices and programs:
- Grants are state general funds awarded to county Boards of Supervisors to incentivize local criminal justice practices and programs that result in improved outcomes among criminal offenders and a reduced prison population.
 - Grants would be modeled after SB 678 (the California Community Corrections Performance Incentives Act of 2009) which now supports more successful probation supervision practices for felony offenders. In 2011, the second calendar year of SB 678 implementation, California probation departments successfully diverted an average daily population of over 9,500 offenders from going to state prison. This action resulted in a 2011 statewide savings of approximately \$284 million (with total savings of \$536 million over the first three years), and half of those savings were distributed to the counties to reinvest in local probation department efforts to continue their successful supervision practices.
 - Funding available solely for locally-based programs and practices demonstrated to reduce the incidence of crime among offenders on mandatory supervision, post-release community supervision, probation and juveniles.
 - Initial start-up seed money granted to all counties for collaborative courts, mental health, substance abuse and reentry programs demonstrated to reduce recidivism.
 - Following period of seed money, grants are based solely on a formula tied to county felony crime rate reductions as measured by new prison admissions.
 - Establish benchmarks monitored by DOF. DOF would determine allocation based on performance. DOF would report to JLBC on allocation. Funds not spent from this program could be budgeted along with any other necessary funds to provide for increased capacity in order to meet any future deadlines.
8. The Federal Three Judge Panel would only enforce the terms of this Settlement Agreement.

###



To: Interested Parties
Date: August 28, 2013
Re: California voters overwhelmingly favor a variety of proposals that would ease prison crowding

A recent survey of a representative sample of 1,600 California voters from across the state, conducted by David Binder Research, revealed that an overwhelming majority of California voters support an array of criminal justice reform proposals that will ease prison crowding and costs.

Californians for Safety and Justice (www.safeandjust.org) commissioned the poll.

Criminal Justice Reform

Each reform idea received support from a solid majority of California voters, with some receiving support from as many as four in five voters. All ideas had at least twice the support as they had opposition, and none were opposed by more than 30% of likely California voters.

Support for Criminal Justice Reforms by Party

Criminal Justice Reforms Tested	Support	Oppose
Establish a Public Safety Commission, made up of criminal justice experts, to streamline California's criminal statutes with the goal of safely reducing prison costs and maximizing public safety	74%	14%
Allow judges to consider, with victim input, releasing elderly and frail inmates that are no longer a threat to public safety, and who have less than life without parole sentences	70	22
Expand effective treatment programs for mentally ill people instead of putting these people in prison	80	13
Financially reward counties that reduce the number of people sent to state prison and county jail through evidence-based community programs proven to reduce repeat offending and help former offenders become productive Californians	59	28
Allow inmates who were not sentenced to life without parole or death to earn early release from prison by completing rehabilitation programs, paying victim restitution, and completing job training and educational programs	66	25

Support for reforms is strong across political parties. Democrats are overwhelmingly supportive of criminal justice reforms, with two in three Democratic voters supporting each reform tested – and little opposition to any of them. None of them are opposed by more than one in four Democrats.

Republicans are less supportive than Democrats, but a plurality of Republican voters support all proposals tested. While Republicans are less unanimous in their support, there is still little opposition, with none of the proposals opposed by a majority of Republicans.

Independent voters – those without a political party – are more supportive than Republicans. On some of the proposals, Independents are just as supportive as Democratic voters. There is little opposition from Independent voters, with less than three in ten opposing any of the proposals tested.

Support for Criminal Justice Reforms by Party

Proposal	Democrats		Republicans		Independents	
	Support	Oppose	Support	Oppose	Support	Oppose
Public safety commission	80	11	66	21	73	14
Elderly and frail inmates release	73	21	63	28	75	18
Treatment for mentally ill	86	9	72	17	81	14
Incentives for evidence-based programs	65	24	50	36	61	27
Earn early release through rehab	71	22	55	35	70	20

There is broad support for all of the reform proposals across California geographies. Support is strongest in the Bay Area and Northern California, but the majority of voters in Los Angeles, as well as the Central Valley, San Diego and Inland Empire support each of the proposals as well.

Support for Criminal Justice Reforms by Geography

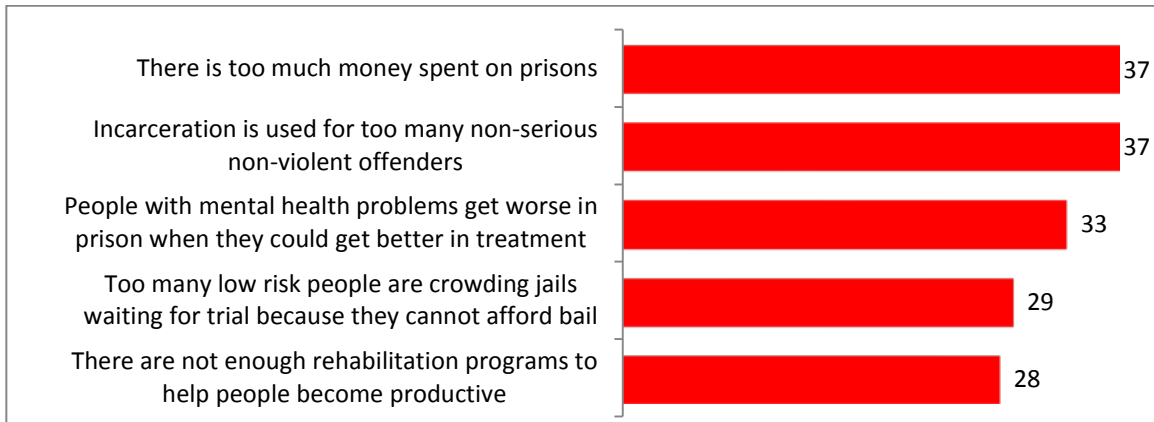
Proposal	Sacramento and Northern CA		Bay Area		Central Valley		Los Angeles Area		San Diego and Inland Empire	
	Support	Oppose	Support	Oppose	Support	Oppose	Support	Oppose	Support	Oppose
Public safety commission	70	16	75	13	76	12	73	14	81	11
Release elderly and frail inmates	73	24	71	19	67	28	69	23	74	20
Provide treatment for mentally ill	78	17	83	10	80	14	80	12	79	12
Incentives for EBP	60	29	60	25	61	25	58	30	60	23
Earn early release through rehab	59	31	69	20	61	30	67	26	67	23

Criminal Justice Concerns

Voters were asked “which problems do you think are most important to address in California’s criminal justice system?” and were asked to select up to three problems. The most frequently mentioned problems were the amount of money spent on prisons, and the use of incarceration for non-serious non-violent offenders.

The impact on people with mental health problems was also frequently mentioned.

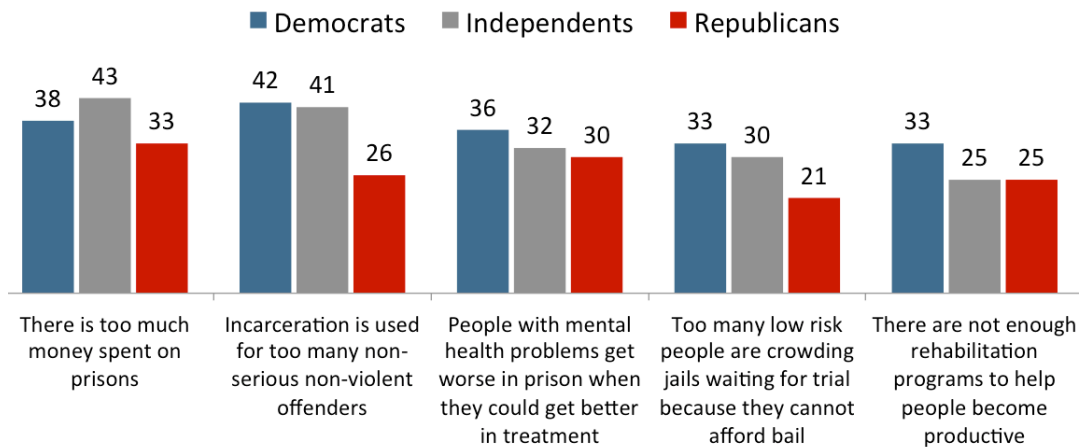
Top Five Biggest Criminal Justice Concerns



The amount of money spent on prisons and the use of incarceration for non-serious non-violent offenders were the most frequently identified problems among both Democrats and Independents.

For Republicans, the amount of money spent on prisons was also frequently identified, as was people with mental health problems getting worse in prison.

Five Biggest Criminal Justice Concerns by Party



The top two concerns about criminal justice are fairly consistent across the state.

In the Sacramento area, Bay Area, Central Valley, and Los Angeles Area, too much money being spent on prisons and incarceration being used for non-serious non-violent offenders were the top two problems. In the San Diego and Inland Empire, low-risk people crowding jails was also a top issue.

The treatment of people with mental health issues was also frequently mentioned across the state, if somewhat less in San Diego.

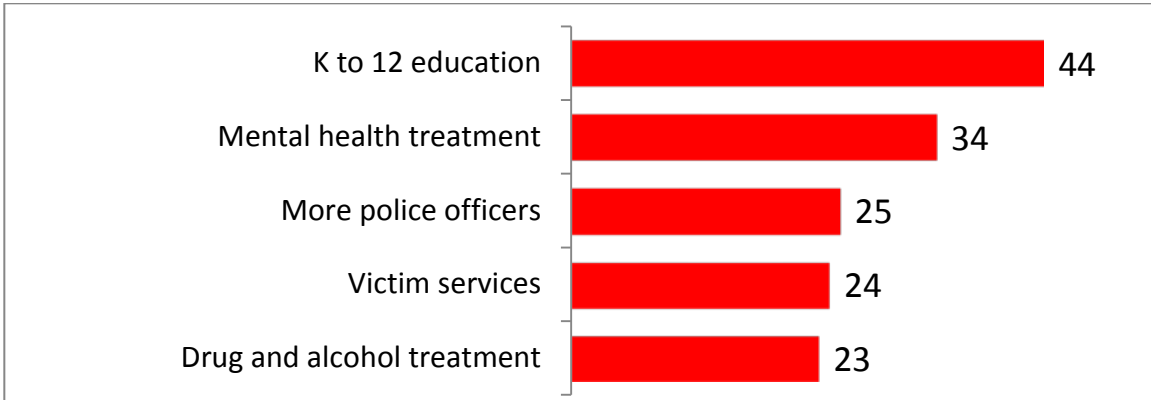
Five Biggest Criminal Justice Concerns by Geography

Concern	Sacramento and Northern CA	Bay Area	Central Valley	Los Angeles Area	San Diego and Inland Empire
There is too much money spent on prisons	39	38	43	37	35
Incarceration is used for too many non-serious, nonviolent offenders	33	40	36	36	40
People with mental health problems get worse in prison when they could get better in treatment	31	37	30	32	28
Too many low-risk people are crowding jails waiting for trial because they cannot afford bail	23	27	28	29	37
There are not enough rehabilitative programs to help people become productive	31	36	24	26	28

Spending Priorities

When asked if one of the reform ideas passed and reduced prison spending, respondents selected up to two ways that they would want the money spent. The top five spending priorities were education, mental health treatment, police officers, victim services, and drug and alcohol treatment.

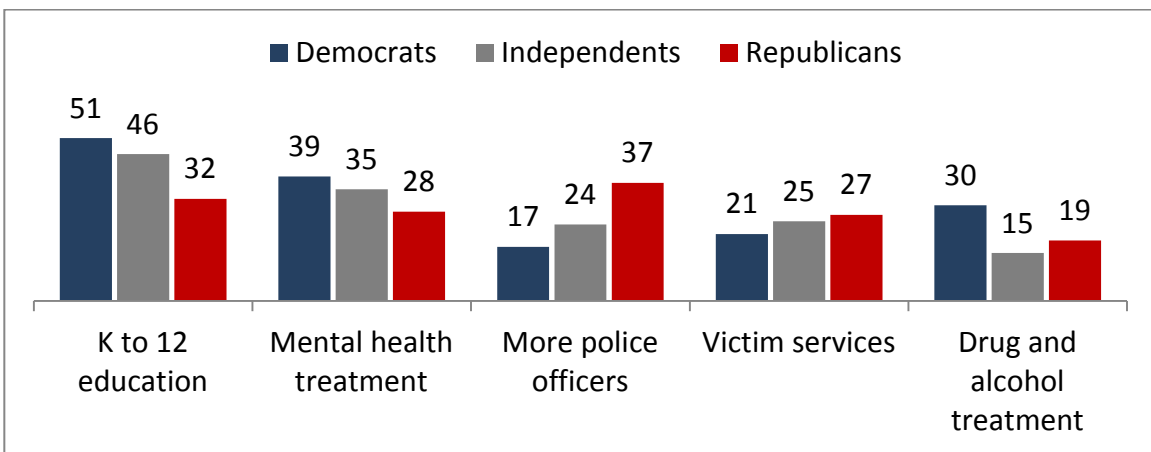
Top Five Spending Priorities if Prison Spending Can Be Reduced



The top priorities for Democrats and Independents were K to 12 education and mental health treatment, followed by victim services.

The top priority for Republicans was more police officers, followed by K to 12 education, mental health treatment, and victim services.

Top Five Spending Priorities by Party



Across the state, the priorities were similar. The top priority across every geography was K to 12 education.

In the Bay Area, Central Valley, Los Angeles Area, and San Diego and the Inland Empire, the second priority was mental health treatment. In the Sacramento Area, it was more police officers followed by mental health treatment.

In Los Angeles and San Diego and the Inland Empire, victim services was the third priority.

Top Five Spending Priorities by Geography

Spending Priority	Sacramento and Northern CA	Bay Area	Central Valley	Los Angeles Area	San Diego and Inland Empire
K-12 education	40	49	52	43	41
Mental health treatment	29	33	34	35	35
More police officers	35	26	28	22	21
Victim services	27	18	22	25	26
Drug and alcohol treatment	22	27	23	22	17

Methodology

A statewide survey was conducted July 11-20 with a representative sample of 1,600 registered California voters. The margin of error is 2.5 to 2.8 %. The survey was conducted online and screened by voter registration and voter likelihood. This survey represents the broadest representation of the full diversity of Californians of all ages, ethnicities, geographies, and other demographic groups.