Assembly Appropriations Committee
Suspense File

2 year bills – January 2018

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BILL	AUTHOR	SUBJECT/FISCAL EFFECT	RECOMMENDATION
AB 5	Gonzalez Fletcher	Subject: Opportunity to Work Act. Requires an employer with 10 or more employees to offer additional hours of work to an existing nonexempt employee before hiring an additional employee or subcontractor, if certain conditions apply. Fiscal: Significant implementation and enforcement costs in excess of $2.3 million annually for the Department of Industrial Relations. (Labor Enforcement and Compliance Fund).	
AB 9	Garcia, C.	Subject: Sales and use tax exemption for tampons. Establishes a sales and use tax exemption for tampons, sanitary napkins, menstrual sponges, and menstrual cups. Fiscal: Annual GF revenue loss of approximately $10.5 million.	

AB 16	Cooper	Subject: Expand DNA collection for misdemeanors Expands existing DNA provisions requiring adults convicted of specified misdemeanors to provide DNA samples for inclusion in the DNA database. The misdemeanor offenses are as follows: 1) Shoplifting where the value does not exceed $950. 2) Forgery where the value for the forged document does not exceed $950. 3) Check fraud where the total amount of checks does not exceed $950. 4) Theft where the value does not exceed $950. 5) Possession of stolen property where the value does not exceed $950. 6) Possession of specified drugs, including cocaine, methamphetamine, concentrated cannabis. Fiscal: 1) Unknown, likely significant GF costs for the Department of Justice (DOJ) to process and store a significantly increased amount of DNA data in DOJ's statewide database. 2) Unknown, potentially significant reimbursable state-mandated local costs for DNA collection from a greater number of alleged offenders than currently required.	

AB 43	Thurmond	Subject: Tax on prison contracts. Imposes a 10% tax on the privilege of contracting with a state prison to provide a state prison with goods or services, and establishes the State Incarceration Prevention Fund (SIPF) for preschool and afterschool programs for purposes of providing services to prevent incarceration. Specifically, this bill: 1) Imposes a tax worth 10% of the final contract price on contracts entered into with a state prison, the California Department of Corrections and Rehabilitation (CDCR), or the Department of General Services (DGS). This tax is to be paid by the contractor and applies to contracts entered into or after January 1, 2018. 2) Prohibits contractors from passing the costs of the tax onto the state and requires the Attorney General (DOJ) to enforce this provision. 3) Requires CDCR and DGS to transmit to the Board of Equalization (BOE) specified information on receipts and contact information of contractors, and requires BOE to assess and collect the tax. BOE must then remit the tax into the SIPF. 4) Establishes guidelines for appeals and refunds. Fiscal: 1) Increased revenue in the range of $150 million (SIPF) per year as a result of a 10% tax on contacts with a total value of approximately $1.5 billion. 2) Significant one-time costs in excess of $200,000 and ongoing costs in excess of $1.1 million for the administration and enforcement of the proposed tax program, including: a) One-time administrative costs of $100,000 and ongoing administrative costs in excess of $250,000 for BOE to develop and operate the proposed tax collection program. Initial years of administration may require a GF loan, but in subsequent years the BOE would be reimbursed from the SIPF. b) One-time administrative costs of $100,000 and ongoing administrative costs of $700,000 for DGS to develop and implement new regulations and to maintain and audit contractor certifications for each contract awarded.	

AB 43	Thurmond	c) Unknown one-time administrative costs and ongoing costs in excess of $150,000 for CDCR to develop and implement new processes and to maintain and audit contractor certifications. d) Unknown costs for DOJ to enforce the provision that prohibits vendors from passing the tax onto the state. DOJ would be reimbursed from the SIPF for its enforcement costs. 3) Unknown impact on contract prices for CDCR and DGS. While the bill prohibits contractors from passing the tax on to customers, it is unclear how this will be enforced. It can be assumed that there would be some impact on the prices faced by DGS and CDCR, though the extent of those price increases is unknown.	

AB 272	Gipson	Subject: Sale of City water utility without an voter approval Allows a city to sell its small community water system for the purpose of consolidating with another public water system without obtaining voter approval. Specifically, this bill requires the city to determine that it is uneconomical and not in the public interest to own and operate the public water utility, and allows the sale if a majority of the city's legislative body adopts a resolution at a regularly scheduled meeting stating all the following requirements have been met: 1) The potentially subsumed public water system is wholly within the boundaries of the city and is a small community water system (one that serves no more than 3,300 connections or a yearlong population of no more than 10,000 people.) 2) The sale is not for less than fair market value. 3) There are at least two water suppliers that provide drinking water to residents in the city prior to the sale. 4) The city has deferred maintenance for the public water system as demonstrated by a study conducted by an independent third party, as specified. 5) The receiving water system's service area borders the service area of the subsumed public water system. 6) The subsumed water systems customers will pay the same rates as customers of the receiving water system. Ratepayers of the subsumed water system will be notified of the applicable rate that will be in effect during the first year after consolidation has been completed. 7) Consolidation of the water systems is technically and economically feasible. 8) The sale is subject to approval by the voters if at least 25% of the city's registered voters file oral or written protests at a regularly scheduled meeting. Fiscal: Unknown increased Public Utilities Commission (PUC) staffing costs, likely exceeding $150,000 (special fund), resulting from additional filings by the Investor Owned Utilities (IOUs) for the acquisition of small community water systems.	

AB 310	Medina	Subject: Reporting part-time faculty office hours. Requires each California Community College district (CCD) to report the total part-time (P/T) faculty office hours paid divided by the total P/T faculty hours taught during the prior fiscal year; and, to prominently post the information on its website. Fiscal: Currently, CCD's share the total number of P/T faculty each semester on their website. However, to the extent that districts do not currently collect data on P/T faculty holding office hours, they would have to establish a system, and potentially make information technology modifications. Assuming an average cost between $5,000 and $10,000 per district, annual statewide reimbursable costs could be between $360,000 and $720,000 General Fund/Prop 98.	

AB 393	Quirk-Silva	Subject: Public postsecondary education tuition enrollment freeze. Prohibits, until after the 2019-20 academic year, any increases in California resident tuition charged to students at the California State University (CSU) and the California Community Colleges (CCC) above the amounts charged as of December 31, 2016, and requests that the Regents of the University of California (UC) comply with this policy. Fiscal: 1) Approximately $233 million in revenue loss to the CSU over three years at the current California resident population. If prohibited from raising tuition, the CSU notes that they would look to the state to provide this funding. 2) Approximately $297 million in revenue reductions to the UC over three years. This cost is based on the assumption that the system may expand enrollment by about 2,500 California resident undergraduates and about 900 graduate students per year, adding over 10,000 students in just 3 years. The amount includes the 2.5% tuition increase and 5% growth in student services fee to cover the expansion of mental health services. With no assurance that adequate state funding is available to provide additional funding, the UC may reduce instructional resources and other services such as student mental health services and institutional aid to support UC students. 3) On-going General Fund (GF) cost pressures in the hundreds of millions. While CCC resident fees are established in state code at $46 per unit, to the extent that tuition would have been or would be increased over the next three academic years, there would be a need for significant GF dollars to backfill revenue loss from foregone increases. If the state experiences a financial downturn and the segments receive less state funding than in previous years, then the only other option available to the segments would be to reduce expenditures, which would undermine progress in meeting goals set for graduation rates, improving failing infrastructure and progress towards fair compensation.	

AB 427	Muratsuchi	Subject: California Aerospace Commission. Establishes the California Aerospace and Aviation Commission within the Governor's Office of Business and Economic Development (GO-Biz). Fiscal: Annual General Fund (GF) cost pressures in the range of $240,000 to $260,000 for GO-Biz to staff and operate the Commission.	
AB 550	Reyes	Subject: Local long-term care ombudsman program funding. Increases the base allocation for local ombudsman programs from $35,000 to $100,000 per fiscal year by appropriating $2.25 million from the General Fund to the California Department of Aging for that purpose. Fiscal: $2.25 GF ongoing to increase funding for local ombudsman programs. This bill makes a one-time appropriation in an amount sufficient to increase the base allocations for 2018-19. Subsequent appropriations would need to be made in future fiscal years, in order to comply with the higher base allocation amount without affecting current funding levels for counties funded at levels higher than the current base amount.	

AB 595	Wood	Subject: State oversight of health care plan mergers and acquisitions. Requires prior approval for health plan mergers. Fiscal: 1) Estimated costs to DMHC of $540,000-$615,000 for the first three years and $475,000 ongoing thereafter (Managed Care Fund). 2) Estimated GF costs to the Department of Justice, potentially in the range of $570,000 ongoing for legal staff and contract fees. 3) The fiscal estimate for both departments is subject to some uncertainty. First, it is unknown what volume of transactions would need to be reviewed pursuant to this bill. Second, the stringency of review and the enforcement approach would have a significant bearing on the number of proposals submitted and associated resource needs. If the high bar this bill sets for approval is strictly enforced, it could reduce the number of proposals submitted for review because most transactions would not meet all the requirements. If, in contrast, conditional approval authority is used often, a greater number of proposals would likely be submitted.	

AB 605	Mullin	Subject: Birth to first grade license option for day care centers. Requires the Department of Social Services (DSS) to implement a birth to entering first grade day care center license option through the adoption of regulations. Fiscal: 1) First-year costs to DSS in the range of $1 million to $2 million (GF) for regulatory and policy development, one-time contracts for automation, and technical assistant visits. These costs will likely decrease in the second year to between $500,000 and $1 million, and to less than $500,000 in the third year and ongoing. 2) Unknown, but administrative efficiencies are likely over time to the extent that inspections can be consolidated.	
AB 626	Garcia, E.	Subject: California Retail Food Code: microenterprise home kitchen operations. Allows local jurisdictions to authorize, by ordinance or resolution, the operation of microenterprise home kitchens, through which home cooks would be allowed to sell a limited number of meals. Fiscal: 1) Information technology costs to CDPH of $50,000 (GF). 2) $120,000 per year for the first three years in regulatory staff costs (GF). 3) Ongoing staff costs of $120,000 per year for management of registrations, monitoring, and enforcement (GF).	

AB 749	Irwin	Subject: Real Estate Updates existing real estate law in the Business and Professions Code to clarify terminology and reflect current practice in the field of real estate. Specifically, this bill: 1) Extends the authority of the Real Estate Commissioner to revoke a license that was issued in error or by mistake. 2) Requires licensees to notify the commissioner whenever a licensee affiliates with or is retained by a real estate broker or terminates that agreement, in a manner specified by the commissioner. 3) Allows for the copy of a contract to be delivered in print or via electronic means as soon as practicable and allows for the use of E-licenses. 4) Clarifies the complaints that may be filed against a licensee and what must be reported to the commissioner. 5) Authorizes a corporation, in the event of the death of the sole designated broker-officer, to continue operating and engaging in real estate business if notice is provided to the Bureau of Real Estate (BRE) within 10 days. 6) Updates and clarifies several definitions and makes other technical changes. Fiscal: 1) Estimated cost of $1.1 million (special fund) in 2019-20 and $980,000 in 2020-21 and ongoing, to the Bureau of Real Estate to meet the licensing, auditing and enforcement requirements in the bill. 2) Ongoing savings to the Bureau of Real Estate of $1.3 million (special fund) annually beginning in 2019-20 resulting from exempting Mortgage Loan Originators from the Real Estate Law. 3) Minor and absorbable automation costs to the Bureau of Real Estate to perform licensing updates.	

AB 761	Mullin	Subject: Development of a History-Social Science Performance Task Assessment Requires the Superintendent of Public Instruction (SPI) to develop performance task history-social science assessments that school districts may administer in grades 4 and 8 and in high school. Specifically, this bill: 1) Requires the SPI to develop and the State Board of Education (SBE) to adopt computer-based performance task assessments in history-social science that a local educational agency (LEA) may offer to pupils and that can be locally administered, scored, and maintained. 2) Requires the SPI to apportion funds appropriated for these purposes to LEA's. 3) Provides the requirement to develop the assessments to be operative only to the extent that funding is provided in the annual Budget Act or another statute for this purpose. Fiscal: 1) Approximately $2 million General Fund (GF)/Prop 98 in years one and two and $2.1 million GF/Prop 98 in years 3 through 6 to develop the assessments. The California Department of Education will have to develop and provide performance tasks for students in grades 4, 8 and high school, which will require a review of the framework, standards, task models, task development, scoring rubrics, educator trainings and ancillary materials. This estimate assumes that no changes are necessary for the Digital Library to host these materials. Should changes be necessary the cost could be approximately $1.5 million, with an ongoing cost of approximately $300,000 annually to update the Digital Library. 2) Unknown, but likely zero costs for LEA apportionment funds. The assessments are meant to be optional and thus, no apportionment should be appropriated.	

AB 767	Quirk-Silva	Subject: Master Small Business License Center. Establishes the Master Small Business License Center, within the Governor's Office of Business and Economic Development (GO-Biz), for the purpose of developing and administering an Internet-based platform that allows businesses to electronically submit a master application, including required fees. Fiscal: 1) Over $140,000 in General Fund cost pressures for loans to GO-Biz and other state agencies to integrate their licensing and permit processes to an online platform. 2) Approximately $1.7 million annually in costs to GO-Biz to develop and administer an internet platform for agencies impacting small businesses. GO-Biz notes that they will have to undertake one the largest information technology upgrades they have managed. GO-Biz will have to develop, implement, maintain and add new licenses/permits/applications to the online platform. This estimate does not include significant costs for new program staff to provide technical assistance regarding the program and work with the business community on outreach and awareness. 3) Approximately $18.7 million in administrative and system modification costs for the Department of Consumer Affairs (DCA), and on-going cost of $240,000 annually to DCA. As an example of costs to other agencies, this estimate includes $4 million for the Bureau of Real Estate to rewrite the licensing/exam portion of the information system and $1 million for the Real Estate Appraisers to integrate their registration. Additional unknown costs to other state agencies will be incurred. This bill is contingent on a state appropriation or reimbursements through licensing and permits fees.	

AB 862	Maienschein	Subject: Pay for Success Grant Program Expands the “Pay for Success Grant Program” administered by the Board of State and Community Corrections, which aims to reduce recidivism among individuals involved in the criminal justice system. Fiscal: Unknown GF Cost pressures, likely in the range of $5,000,000 to fund three additional grants and the associated administrative costs.	
AB 865	Levine	Subject: Criminal Resentencing for Veterans Allows a veteran or member of the military who is currently serving a felony sentence for a crime to petition the court for resentencing if the person can show that he or she suffered from certain conditions as a result of his or her military service. The provisions of this bill will only apply to individuals sentenced prior to January 1, 2016. Fiscal: 1) GF costs to California Department of Corrections and Rehabilitation (CDCR) of more than $1,000,000 to perform mental health evaluations of 4,715 inmates that might qualify for resentencing, fund various information technology and administrative costs, and to transport inmates to resentencing hearings. These costs would be partially, or potentially fully, offset by GF savings to CDCR by reducing the sentences of certain felons currently in state prison. The net fiscal effect to CDCR is unknown. 2) Minor and absorbable costs to the courts for the resentencing hearings. Costs are minor because the courts indicate this bill would only impact a small number of cases.	

AB 900	Gonzalez Fletcher	Subject: Victim Compensation for Trafficking Victims. Authorizes the California Victims Compensation Board to provide compensation equal to the loss of income or support to human trafficking victims. Fiscal: According to the Department of Corrections and Rehabilitation, there were 136 admissions to state prison for human trafficking convictions in 2016. If every admission represented one victim and each victim were eligible for one month of wages, at the minimum wage of $10, the one month cost would be about $240,000. However, some convictions were for multiple victims, and in some cases the time held as a victim was more than a month.	
AB 909	Steinorth	Subject: Emergency response: trauma kits. Requires a study to determine whether mandatory or voluntary building standards should be adopted regarding trauma kits (as defined) placement in certain public buildings. In addition, this bill contains other provisions relating to trauma kits that could be placed in buildings as a result of the study. Fiscal: Unknown costs (GF and special funds), likely in the tens of thousands to hundreds of thousands of dollars for the state entities specified to form a working group, conduct research, and collect public input.	

AB 962	Travis Allen	Subject: State infrastructure financing for seaports. Creates a process for a harbor agency to receive project valuations from the California Infrastructure and Economic Development Bank (I-Bank), contingent upon an appropriation for this purpose in the budget act. Fiscal: 1) One-time General Fund (GF) cost pressures of $750,000 to develop a new program within the I-Bank to provide assistance to harbor agencies. The I-Bank would need to develop the criteria, priorities, and guidelines and set up the organizational structure for the program. Ongoing GF cost pressures of $810,000 to manage the new program, including hiring loan officers, a compliance officer and administrative support. The program established by this bill is contingent upon an appropriation in the budget act. The bill also requires the harbor agency to reimburse the I-Bank for expenses incurred for the review and processing of the proposed financing of a project, but it is likely an initial state investment would be needed. 2) Future state cost pressures, likely in the billions of dollars, to provide funding for port investments. Ports anticipate the I-Bank would annually request funds through the budget process based on applications that meet standards developed in the criteria, priorities, and guidelines of the program.	

AB 986	Gallagher	Subject: 12-month fishing licenses and Veteran discounts for hunting and fishing licenses. Requires the Department of Fish and Wildlife (DFW) to reduce the fees required to obtain hunting licenses and various sport fishing entitlements for Veterans of the Armed Forces of the United States (Veteran). Additionally, this bill requires sport fishing licenses to be issued for 12 consecutive months. Specifically, this bill: 1) Requires DFW to reduce the fee required to obtain a lifetime sportsman's license, an annual or lifetime hunting license, or an annual or lifetime sport fishing license, by 25%, for any resident of the state who is a Veteran and was honorably discharged. 2) Requires DFW to reduce the fee required to obtain any sport fishing report card, validation, or other entitlement required in addition to a sport fishing license by 25% for any resident of the state who is a Veteran and was honorably discharged, and by 50% for a Veteran who has a 50% or greater service-connected disability. 3) Requires a resident or a nonresident, 16 years of age or older, to be issued a sport fishing license for 12 consecutive months beginning on the date of issuance. Fiscal: 1) According to DFW, annual unknown significant revenue losses estimated to be between $4.2 and $15.6 million (Fish and Game Preservation Fund and other special funds). This estimate is based on 2016 license revenues and assuming veterans represent 6.15% of the California population. 2) Onetime increased expenditures of $866,000 for development and implementation, and $221,000 for increased program staff (Fish and Game Preservation Fund).	

AB 991	Reyes	Subject: Foster youth Independent Living Program. Requires each county department of social services to publish information related to the Independent Living Program, and requires the Department of Social Services' (DSS) Internet Web site to provide access to that information. Fiscal: 1) Unknown one-time automation costs to counties, likely in excess of $150,000 statewide, to meet the website requirements. Individual county costs will vary depending on the status of the information currently provided. These costs fall under Proposition 30 requirements. Pursuant to Proposition 30 (November 2012) any legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by realignment (including child welfare services and foster care) only apply to local agencies to the extent that the state provides annual funding for the cost increase. 2) Minor and absorbable costs to DSS to publish information and provide the required links.	

AB 1037	Limon	Subject: Postsecondary education: student financial aid: Cal Grant B Service Incentive Grant Program. Establishes the Cal Grant B Service Incentive Grant Program as a new program administered by the California Student Aid Commission (CSAC). Specifically, this bill: 1) Establishes, commencing with the 2018-19 academic year, the Cal Grant B Service Incentive Grant Program and specifies that in order to receive a grant under the program, a student must be a recipient of a Cal Grant B award, completed a California Dream Act application, has an unmet need determined by CSAC, and agrees to perform a minimum of 300 hours of community service or volunteer work in each academic year a grant is provided. 2) Requires that the community service or volunteer work must be performed through organizations specified by the bill. The organizations must then report the hours of service performed by participating students to CSAC in a timely manner. 3) Specifies that a student is eligible to receive a grant under the program for a maximum of eight semesters or 12 quarters. Once a student has met the minimum service requirement, he or she is eligible for an award of up to $1,500 per semester or $1,000 per quarter. Fiscal: Approximately $7.5 million General Fund (GF) in 2018-19 for grant costs and $1.1 million GF in administrative costs for CSAC. This estimate includes an average grant of $3,000 for 2,500 grant recipients. Additional costs include, $1.1 million GF on-going in administrative costs to CSAC, $74,000 in facilities for year one and one-time costs of $100,000 to perform outreach and print materials. On-going costs include salaries and wages for at least two new CSAC personnel, who would need to verify qualifications, process grants and verify service hours submitted by volunteer organizations.	

AB 1097	Levine	Subject: State beaches and parks: smoking ban. Prohibits the smoking or disposing of used cigar or cigarette waste on a state beach or in a state park. Specifically, this bill: 1) Prohibits a person from smoking on a state coastal beach or in a unit of the state park system. The prohibition applies to cigars or cigarettes containing tobacco or any other weed or plant used as an alternative or supplement to tobacco or nicotine, and also includes electronic and vapor cigarettes. Exempts props used for filming and the use of tobacco products for tribal ceremonies under specified conditions. 2) Prohibits a person from disposing of used cigar or cigarette waste on a state coastal beach or in a state park unit. 3) Allows the Director of Parks and Recreation (DPR) to exempt areas within units of the park system from the smoking prohibition after considering public health and safety and potential fire risk. 4) Requires DPR to post signs providing notice of the smoking prohibition. Provides that the smoking prohibition will be enforced only after signs have been posted. 5) Makes a violation of this bill an infraction, punishable by a fine of up to $50. Fiscal: Increased one-time costs estimated to be between $840,000 and $1.1 million (GF) for the purchase and installation of signage. DPR estimates each sign will cost between $150 and $200. The smoking ban would apply to up to 280 state parks, with an estimated 20 signs per park. This estimate does not include any additional costs associated with CEQA or Coastal Commission permits, if determined to be applicable.	

AB 1231	Weber	Subject: CSU Support Staff merit salary increases Stipulates that after completion of their first year in a position, and after completion of each subsequent year thereafter, a nonacademic employee of the California State University (CSU) will receive a merit salary intermediate step adjustment of 5% upon meeting the standards for satisfactory performance as determined by the employee's administrator. Any provision of a memorandum of understanding in conflict with this requirement would prevail. Fiscal: Approximately $72 million in year one and $75 million in year 2, with on-going growth in costs as the base grows. This assumes an average cost of $15 million per every 1% increase. Currently, only 1.47% of CSU employees are within 5% of the maximum of their range. AB 1231 applies to all staff excluding management personnel, executives and faculty.	
AB 1262	Garcia, Eduardo	Subject: Gang, Crime and Violence Partnership Program Expands the California Gang, Crime, and Violence Partnership Program by adding the community of Calexico because it is also a community that experiences high incidences of gang violence. Fiscal: Unknown GF cost pressure, likely in the low millions of dollars, to restart funding for the program and expand the program to an additional community. The program has not received funding since 2003-04 when the funding was eliminated as part of a budget reduction. Prior to that time, program funding averaged about $2.5 million annually. Assuming roughly the same level of funding is required for the base program, factoring in inflation, and assuming a proportional increase in funding to support the program in an additional community, restarting this program would require roughly $5 million GF annually.	

AB 1395	Chu	Subject: Litter removal plan Requires the California Department of Transportation (Caltrans), by January 1, 2020, to develop a litter and graffiti remediation plan to address debris buildup on the state highway systems. Fiscal: 1) Costs of $88,500 (transportation special funds) to Caltrans to develop the plan required by this bill. 2) Unknown, but potentially significant cost pressure (transportation special funds) to provide a higher level of litter removal service, depending on the plan that is developed. For example, providing a 10 percent increase in service could cost $6.7 million, based on the department's current funding of $67 million for litter removal activities.	

AB 1419	Quirk	Subject: Civil Penalties for Pesticide Use Violations Authorizes the Director of the Department of Pesticide Regulation (DPR) to levy a civil penalty of up to $25,000 for each specified pesticide use violation that occurs on or after January 1, 2019. Additionally this bill: 1) Provides for due process through the written notification of violations administrative hearings, and judicial review and sets specified timelines. 2) Requires the penalty revenue received from an investigating CAC to reimburse the cost of the investigation with the remainder going into the Department of Pesticide Regulation Fund for use by DPR, upon appropriation, to administer agricultural chemicals, livestock remedies, and commercial feeds (pesticides) law and pest control operations law. 3) Authorizes DPR to adopt regulations to enforce the provisions of this bill. Fiscal: 1) Increased revenue from civil penalties estimated to be up to $500,000 (special fund) annually based on prior years' violations. This revenue will reimburse the cost of county investigations with the remainder deposited in the Department of Pesticide Regulation Fund. 2) Absorbable costs for DPR to administer the civil penalty, provide notification, and conduct administrative hearings. 3) Unknown costs for judicial review.	

AB 1511	Low	Subject: Property loss Sentencing Enhancements Re-enacts statutory enhancements for taking or destroying property during the commission or attempted commission of a felony and raises the dollar amounts required to trigger specified sentencing enhancements. Fiscal: The sentence enhancements in this bill will likely result in unknown annual increased costs for the California Department of Corrections and Rehabilitation (CDRC) in the range of hundreds of thousands to low millions of dollars. According to CDRC, the projected per capita cost of incarceration for FY 2017/2018 is $75, 560. The majority of individuals convicted of the offenses specified in this bill will serve their sentences in county jail. However, anyone with a prior or current felony conviction for a serious or violent offense or an offense that requires registration as a sex offender is required to serve the sentence in state prison.	
AB 1547	Quirk-Silva	Subject: Small Business Loan Program Modifies the definition of small business under the California Americans with Disabilities Act Small Business Capital Access Loan Program (Small Business ADA Program) for the purpose of increasing the number of eligible applicants. Fiscal: By expanding the definition of "small business" or "qualified small business" to include businesses with fewer than 30 full-time equivalent employees or having less than $5 million in total gross annual income from all sources, the Small Business ADA Program will be able to expend the $10 million appropriated for this purpose. In doing so, the program presents future cost pressures if the program is not adequately supported by loan recapture fund.	

AB 1552	Quirk-Silva	Subject: Late payment penalties Requires regulated public utilities with gross revenues exceeding $25 million, to timely pay undisputed invoices to its contractors or automatically include a late penalty when the payment is made. Specifically, this bill: 1) Requires electrical, gas, or water utilities, mobile telephony service providers, or telephone corporations (regulated public utilities) to automatically pay penalties on any undisputed invoice not paid within 30 days, without the necessity of additional invoices by the claimants, unless the contracts with the regulated public utilities specifically provide otherwise. 2) Requires the regulated public utility to pay a penalty of 10% above the United States Prime Rate on late payments made to certified small businesses or non-small businesses for which 25% of its subcontractors are certified small businesses. 3) Requires regulated public utilities to report to the California Public Utilities Commission (PUC) on late payment penalties made to certified disabled veteran, minority, women, or lesbian, gay, bisexual, or transgender (LGBT) small business enterprises, as specified. 4) Requires the PUC to encourage all public utilities to adopt policies and practices that encourage claimants to promptly pay their contractors and suppliers, especially those that are small businesses. Fiscal: According to the PUC, this bill would likely require the opening of a new proceeding and would result in increased one-time costs in the range of hundreds of thousands to the low millions of dollars, depending on the scope of the proceeding (special fund).	

AB 1576	Levine	Subject: Health and sexual harassment standards in the modeling industry. Establishes health- and sexual harassment- related standards and requirements for models and modeling agencies. Fiscal: 1) One-time costs in the range of $200,000 to $400,000 (special fund) for the Division on Labor Standards Enforcement (DLSE) to develop or contract for a training program to be provided to employees and models. 2) An additional $340,000 in one-time costs (special fund) for the Division of Occupational Safety and Health (Cal/OSHA), the Standards Board, and the Department and the Labor and Workforce Development Agency to develop regulations around safety and health standards for models. These cost estimates assume future amendments that make the timeline for adopting amendments feasible. 3) Ongoing enforcement costs likely in excess of $100,000 annually (special fund) to enforce both the safety and health standards and the training program requirement.	

AB 1663	Garcia, C.	Subject: Lead-acid batteries. Allows an out-of-state lead-acid battery manufacturer, not subject to the $1 battery fee, to pay the fee on behalf of an importer and claim the associated credits to offset potential hazardous waste liability. Fiscal: Unknown, significant one-time and ongoing Board of Equalization (BOE) administrative costs to audit refund requests, issue notices to importers for non-compliant out-of-state manufacturers, create regulations and policies regarding importer and out-of-state manufacturer agreements, and expand audit responsibility for batteries sold to wholesalers in other states that are ultimately imported to California. Any costs to BOE take away from funds available to pay for cleaning up contaminated sites.	

AB 1679	Burke	Subject: Insurance regulation of auto body labor rates and steering. This bill has two major components which address recently issued California Department of Insurance (CDI) regulations. Specifically, this bill: 1) Supersedes CDI regulations addressing "anti-steering" practices for automobile repairs paid for by insurers with different rules that allow more flexibility with respect to insurer communication to claimants. 2) Allows for a new, more flexible "safe harbor" survey methodology, which will be available in addition to the current methodology specified in regulation, for establishing a market labor rate for automobile repairs. Fiscal: Costs could range from minor to significant, and it is impossible to tell except with a retrospective analysis in a couple of years. The fiscal effect depends upon consumer and insurer behavior in response to the bill, versus under the status quo. Under the bill, CDI notes it could incur additional administrative costs well in excess of $150,000 if either consumer complaints rise significantly or if more, and more complicated, labor rate surveys need to be reviewed under the new safe harbor protections. CDI also notes some potential legal risk from language adding trade secret protections and other provisions. Though these estimates are speculative, some level of increased cost cannot be ruled out. Greater labor-intensity of reviewing market labor rate survey methodology, due to the additional flexibility this bill provides, may be most likely source of additional costs.	

AB 1715	Quirk-Silva*	Subject: Process to solicit donations for International Trade and Investment Offices. Requires the Governor's Office of Business and Economic Development (GO-Biz) to develop a process for accepting public or private donations in order to operate an international trade and foreign investment office. Specifically, this bill: 1) Authorizes GO-Biz to facilitate discussions between key stakeholder groups in order to support the development of a letter of interest. 2) Requires GO-Biz to release guidelines for letter of interest. 3) Requires Go-Biz to meet with each entity that submits a complete letter of interest and to make a determination within 90 calendar days of receiving a complete letter of interest. 4) Authorizes a prospective donor to submit a letters of interest more than once. 5) Requires GO-Biz to post donor information on their website within 30 days, including donor information, donation amounts, and a description of goods or services provided or purchased. Fiscal: Approximately $150,000 for GO-Biz to establish procedures outlined in the bill, including working with stakeholders, and $326,000 for two additional staff to manage a new office. The bill assumes public and private funds will be donated to establish and operate the trade and foreign investment office. Existing law authorizes GO-Biz to establish trade offices and pursue public and private funds. To date, no public or private funders have expressed interest in donating funds for this purpose.	

AB 1716	Quirk-Silva	Subject: Expansion of the California Competes Tax Credit. Extends the California Competes Tax Credit (CCTC) until December 31, 2030. Specifically, this bill: 1) Extends the CCTC program, under the Personal Income Tax (PIT) Law and the Corporation Tax (CT) Law, by five years until January 1, 2030. 2) Allows the Governor's Office of Business and Economic Development (GO-Biz) to allocate credits through fiscal year (FY) 2029-30, but allows for $200 million to be allocated each year through FY 2022-23. 3) Takes effect immediately as a tax levy. Fiscal: 1) $1 billion General Fund (GF) revenue loss as a result of the CCTC extension through FY 2022-23. 2) $7.5 million GF in administrative cost to GO-Biz. Using current administrative cost, GO-Biz estimates $1.5 million GF in annual administrative cost due to this extension. 3) Unknown administrative cost to the Franchise Tax Board (FTB).	

SB 558	Glazer	Subject: Property tax exclusion for rain water capture systems. Excludes the construction or addition of rain water capture systems from the definition of “newly constructed” and “new construction” for property tax assessment purposes for construction completed between January 1, 2019 and January 1, 2029. This bill takes effect immediately as a tax levy, but provides that this bill's provisions are only operative if Senate Constitutional Amendment (SCA) 9 of the 2017-18 Regular Session is approved by the voters, and in that event, is operative on January 1, 2019. Fiscal: Unknown but potentially significant property tax revenue losses. Every $1 million in cost of a rain water capture system would equate to a local revenue loss of 1%, or $10,000. Because of Proposition 98, approximately half of property tax losses would result in a corresponding increase in annual Proposition 98 General Fund costs.	
SCA 9	Glazer	Subject. Constitutional amendment for property tax exclusion for rain water capture system. Excludes, subject to voter approval, rain water capture systems that are constructed on or after January 1, 2019, from property tax assessment. Specifically, this measure amends the California Constitution to allow the Legislature to exclude rain water capture systems from the definition of "newly constructed." Fiscal: One-time General Fund costs to the Secretary of State (SOS) in the range of $414,000 to $552,000 for printing and mailing costs to place the measure on the ballot in a statewide election.	