

AMENDED IN SENATE JUNE 3, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 278

Introduced by Assembly Member ~~Charles Calderon~~ *Monning*

February 12, 2009

~~An act to amend Section 18639 of the Revenue and Taxation Code, relating to taxation. An act to add Section 100336 to the Health and Safety Code, and to amend Sections 14012 and 14013 of the Unemployment Insurance Code, relating to public health.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 278, as amended, ~~Charles Calderon~~ *Monning*. ~~Franchise and income tax law: information returns. California Workforce Investment Board: Public Health.~~

Existing law establishes the California Workforce Investment Board responsible for assisting the Governor in the development, oversight, and continuous improvement of California's workforce investment system. Existing law specifies the composition of the board to include, among others, representatives of business and of labor organizations.

This bill would require the board to additionally include representatives of philanthropic organizations that are actively engaged in providing learning, mentoring, and work opportunities to recruit, educate, and train individuals for, and retain individuals in, careers in health care and related industries.

This bill would revise the responsibilities of the board to include developing an application to the federal Health Resources and Services Administration of the Department of Health and Human Services for a federal health care workforce development planning grant.

The bill would also require the State Department of Public Health to apply to the federal Centers for Disease Control and Prevention for a grant to promote positive health behaviors and outcomes for populations in medically underserved communities through the use of community health workers, as specified in the federal Patient Protection and Affordable Care Act of 2010.

~~Existing law requires every person who makes payments of exempt-interest dividends, as specified, to any person, and every person who receives payments of interest exempt from tax, as specified, as a nominee and who makes payments to any person with respect to the interest received to file an information return as prescribed by the Franchise Tax Board and to furnish a statement to each person named in the return.~~

~~This bill would make a technical, nonsubstantive change to that provision.~~

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

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

- 1 *SECTION 1. Section 100336 is added to the Health and Safety*
- 2 *Code, to read:*
- 3 *100336. The department shall apply to the federal Centers for*
- 4 *Disease Control and Prevention for a grant to promote positive*
- 5 *health behaviors and outcomes for populations in medically*
- 6 *underserved communities through the use of community health*
- 7 *workers, as specified in Section 5313 of the federal Patient*
- 8 *Protection and Affordable Care Act of 2010 (Public Law 111-148).*
- 9 *SEC. 2. Section 14012 of the Unemployment Insurance Code*
- 10 *is amended to read:*
- 11 14012. (a) ~~The board shall be appointed by the Governor to~~
- 12 assist in the development of the State Workforce Investment Plan
- 13 and to carry out other functions, as described in Section 14103.
- 14 The
- 15 (b) *The board shall be comprised of the Governor and*
- 16 representatives from the following categories:
- 17 (a)
- 18 (1) *Two members of each house of the Legislature, appointed*
- 19 by the appropriate presiding officer of each house.

- 1 ~~(b) (1) A majority of board members shall be representatives~~
2 ~~of business who:~~
- 3 ~~(2) The following members appointed by the Governor:~~
- 4 ~~(A) Are Representatives of business who are owners of small~~
5 ~~and large businesses, chief executives or operating officers of small~~
6 ~~and large businesses, and other small and large business executives~~
7 ~~or employers with optimum policymaking or hiring authority,~~
8 ~~including members of local workforce investment boards.~~
- 9 ~~(B) Represents Representatives of businesses with employment~~
10 ~~opportunities that reflect the employment opportunities of the state,~~
11 ~~including health care employers.~~
- 12 ~~(C) Are Representatives of business who are appointed from a~~
13 ~~group of individuals nominated by state business organizations~~
14 ~~and business trade associations.~~
- 15 ~~(2) At least one representative shall be a private sector member~~
16 ~~of the California Economic Strategy Panel, created pursuant to~~
17 ~~Section 15570 of the Government Code.~~
- 18 ~~(e)~~
- 19 ~~(D) Chief elected officials representing both cities and counties,~~
20 ~~where appropriate.~~
- 21 ~~(d)~~
- 22 ~~(E) Representatives of labor organizations that are appointed~~
23 ~~to the board by the Governor shall have been nominated by state~~
24 ~~labor federations. At least 15 percent of board members shall be~~
25 ~~representatives of labor organizations.~~
- 26 ~~(e)~~
- 27 ~~(F) Representatives of individuals and organizations that have~~
28 ~~experience with regard to youth activities.~~
- 29 ~~(f)~~
- 30 ~~(G) Representatives of individuals and organizations that have~~
31 ~~experience and expertise in the delivery of workforce investment~~
32 ~~activities, including the Chancellor of the California Community~~
33 ~~Colleges, representatives of school districts, and representatives~~
34 ~~of community-based organizations within the state.~~
- 35 ~~(g)~~
- 36 ~~(H) The lead state agency officials with responsibility for the~~
37 ~~programs, services, or activities that are mandatory participants in~~
38 ~~the one-stop system, or, where there are no lead state agency~~
39 ~~officials responsible for those programs, services, or activities, a~~

1 representative with expertise relating to those programs, services,
2 or activities.

3 *(I) Representatives of philanthropic organizations that are*
4 *actively engaged in providing learning, mentoring, and work*
5 *opportunities to recruit, educate, and train individuals for, and*
6 *retain individuals in, careers in health care and related industries.*

7 ~~(H)~~

8 *(J) Any other representatives and state agency officials as the*
9 *Governor may designate, such as the state agency officials*
10 *responsible for economic development and juvenile justice*
11 *programs in the state.*

12 *(c) The representatives of business described in subparagraphs*
13 *(A), (B), and (C) of paragraph (2) of subdivision (b) shall constitute*
14 *a majority of the board members. At least one of these*
15 *representatives shall be a private sector member of the California*
16 *Economic Strategy Panel, created pursuant to Section 15570 of*
17 *the Government Code.*

18 ~~(I)~~

19 *(d) Members of the board that represent organizations, agencies,*
20 *or other entities shall be individuals with optimum policymaking*
21 *authority within those organizations, agencies, or entities.*

22 ~~(J)~~

23 *(e) In making appointments to the board, the Governor shall*
24 *consider the ethnic, race, gender, and geographic distribution of*
25 *the state’s population, and members of the board shall represent*
26 *diverse regions of the state, including urban, rural, and suburban*
27 *areas.*

28 ~~(K)~~

29 *(f) The Governor may appoint a single member to the board to*
30 *represent multiple constituencies on the board.*

31 ~~(L)~~

32 *(g) The Governor shall select a chairperson for the board from*
33 *the business representatives.*

34 *SEC. 3. Section 14013 of the Unemployment Insurance Code*
35 *is amended to read:*

36 14013. The board shall assist the Governor in the following:

37 (a) Promoting the development of a well-educated and highly
38 skilled workforce.

39 (b) Developing the State Workforce Investment Plan.

- 1 (c) Developing guidelines for the continuous improvement and
2 operation of the workforce investment system, including:
3 (1) Developing policies to guide the one-stop system.
4 (2) Providing technical assistance for the continuous
5 improvement of the one-stop system.
6 (3) Recommending state investments in the one-stop system.
7 (4) Targeting resources to high-wage industry sectors that are
8 either high-growth sectors or critical to California's economy, or
9 both.
- 10 (d) Developing and continuously improving the statewide
11 workforce investment system as delivered via the one-stop delivery
12 system, including:
13 (1) Developing linkages in order to assure coordination and
14 nonduplication among workforce programs and activities.
15 (2) Reviewing local workforce investment plans.
16 (3) Providing guidance to ensure services reflect the needs of
17 high-wage industry sectors.
- 18 (e) Commenting, at least once annually, on the measures taken
19 pursuant to the Carl D. Perkins Vocational and Applied Technology
20 Education Act Amendments of 1990 (~~Public~~ (*Public* Law 101-392;
21 20 U.S.C. Sec. 2301 et seq.).
- 22 (f) Designating local workforce investment areas within the
23 state based on information derived from all of the following:
24 (1) Consultations with the Governor.
25 (2) Consultations with the chief local elected officials.
26 (3) Consideration of comments received through the public
27 comment process, as described in Section 112(b)(9) of the federal
28 Workforce Investment Act of 1998.
- 29 (g) Developing and modifying allocation formulas, as necessary,
30 for the distribution of funds for adult employment and training
31 activities, for youth activities to local workforce investment areas,
32 and dislocated worker employment and training activities, as
33 permitted by federal law.
- 34 (h) Coordinating the development and continuous improvement
35 of comprehensive state performance measures, including state
36 adjusted levels of performance, to assess the effectiveness of the
37 workforce investment activities in the state.
- 38 (i) Preparing the annual report to the United States Secretary of
39 Labor.

1 (j) Recommending policy for the development of the statewide
 2 employment statistics system, including workforce and economic
 3 data, as described in Section 15 of Title 29 of the United States
 4 Code, and using, to the fullest extent possible, the Employment
 5 Development Department’s existing labor market information
 6 systems.

7 (k) Recommending strategies to the Governor for strategic
 8 training investments of the Governor’s 15-percent discretionary
 9 funds.

10 (l) Developing and recommending waivers, in conjunction with
 11 local workforce investment boards, to the Governor as provided
 12 for in the federal Workforce Investment Act of 1998.

13 (m) Recommending policy to the Governor for the use of the
 14 25-percent rapid response funds, as authorized under the federal
 15 Workforce Investment Act of 1998.

16 (n) Developing an application to the United States Department
 17 of Labor for an incentive grant under Section 9273 of Title 20 of
 18 the United States Code.

19 (o) *Developing an application to the federal Health Resources*
 20 *and Services Administration of the Department of Health and*
 21 *Human Services for a federal health care workforce development*
 22 *planning grant.*

23 ~~SECTION 1. Section 18639 of the Revenue and Taxation Code~~
 24 ~~is amended to read:~~

25 ~~18639. (a) (1) In addition to those reports required under~~
 26 ~~paragraph (8) of subdivision (c) of Section 18631, information~~
 27 ~~returns shall be required, at the time and in the form and manner~~
 28 ~~and to the extent that the Franchise Tax Board may prescribe, from~~
 29 ~~both of the following:~~

30 ~~(A) Every person who makes payments of exempt interest~~
 31 ~~dividends, as described in Section 852(b)(5) of the Internal~~
 32 ~~Revenue Code, that are not exempt interest dividends, as described~~
 33 ~~in Section 17145 of the Revenue and Taxation Code, aggregating~~
 34 ~~ten dollars (\$10) or more to any person, other than to any person~~
 35 ~~described in paragraph (2), during any calendar year.~~

36 ~~(B) Every person who receives payments of interest as a~~
 37 ~~nominee and who makes payments aggregating ten dollars (\$10)~~
 38 ~~or more during any calendar year to any other person, other than~~
 39 ~~to any person described in paragraph (2), with respect to the interest~~
 40 ~~so received. For purposes of this paragraph, “interest” is limited~~

1 to interest on any obligation if the interest is exempt from tax under
2 Section 103(a) of the Internal Revenue Code or if the interest is
3 exempt from tax, without regard to the identity of the holder, under
4 any other provision of Title 26 of the United States Code, but
5 which is not exempt from income tax under Part 10 (commencing
6 with Section 17001).

7 (2) For purposes of this subdivision, a person shall not be
8 required to make a report pursuant to paragraph (1) if the person
9 receiving the payment is any of the following:

10 (A) A corporation.

11 (B) An organization exempt from taxation under Section 23701
12 or an individual retirement plan.

13 (C) The United States or any wholly owned agency or
14 instrumentality thereof.

15 (D) A state, the District of Columbia, a possession of the United
16 States, any political subdivision of any of the foregoing, or any
17 wholly owned agency or instrumentality of any one or more of the
18 foregoing.

19 (E) A foreign government, a political subdivision of a foreign
20 government, or any wholly owned agency or instrumentality of
21 any one or more of the foregoing.

22 (F) An international organization or any wholly owned agency
23 or instrumentality thereof.

24 (G) A foreign central bank of issue.

25 (H) A dealer in securities or commodities required to register
26 under the laws of the United States or a state, the District of
27 Columbia, or possession of the United States.

28 (I) A real estate investment trust, as defined in Section 856 of
29 the Internal Revenue Code.

30 (J) An investment company, as defined in Section 80a-3 of the
31 United States Code, registered at all times during the taxable year
32 under the Investment Company Act of 1940.

33 (K) A common trust fund, as defined in Section 17671.

34 (L) Any trust that is exempt from tax under Section 664(c) of
35 the Internal Revenue Code.

36 (b) Every person required to make a return under this section
37 shall also furnish a statement to each person whose name is set

- 1 ~~forth in the return, as required to do so by the Internal Revenue~~
- 2 ~~Code.~~

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