

AMENDED IN SENATE MARCH 14, 2011

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

**ASSEMBLY BILL**

**No. 104**

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**Introduced by Committee on Budget (Blumenfield (Chair), Alejo, Allen, Brownley, Buchanan, Butler, Cedillo, Chesbro, Dickinson, Feuer, Gordon, Huffman, Mitchell, Monning, and Swanson)**

January 10, 2011

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*An act relating to the Budget Act of 2011. An act to amend Section 5134 of the Business and Professions Code, to repeal and add Section 14044 of the Corporations Code, to amend Sections 965, 16142, 16142.1, 16148, 16320, 51244, and 63048.66 of, to amend, repeal, and add Section 12716 of, to add Section 22850.5 to, to add and repeal Section 8670.48.3 of, and to repeal Section 51244.3 of, the Government Code, and to amend Sections 4003 and 4004 of, and to add Section 14004.5 to, the Unemployment Insurance Code, relating to state government, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately, bill related to the budget.*

LEGISLATIVE COUNSEL'S DIGEST

AB 104, as amended, Committee on Budget. ~~Budget Act of 2011.~~  
*State government.*

*(1) Existing law provides for the licensure and regulation of accountants by the California Board of Accountancy. Existing law sets forth the fee structure for licensure as an accountant, including for biennial renewal of a permit to practice. Existing law requires the board to fix the biennial renewal fee, in an amount not to exceed \$250, so that the reserve balance in the board's contingent fund is equal to approximately 9 months of annual authorized expenditures. Existing law allows an increase in renewal fees only upon a determination by*

*the board that additional moneys are required to fund authorized expenditures and maintain the board's contingent fund reserve.*

*This bill would delete the requirement that the board fix the biennial renewal fee for purposes of maintaining the 9-month reserve balance in the contingent fund, and would delete the limitation that the biennial renewal fee may only be increased when additional moneys are required to fund authorized expenditures and maintain the contingent fund reserve balance.*

*(2) The California Small Business Financial Development Corporation Law authorizes the formation of small business financial development corporations to grant loans or loan guarantees for the purpose of stimulating small business development and imposes certain duties with respect thereto on a director designated by the Secretary of Business, Transportation and Housing. The California Small Business Expansion Fund, which is created under that law and is continuously appropriated, provides funds to be used to pay for defaulted loan guarantees and administrative costs of these corporations.*

*This bill would require the Director of Finance, upon notification of the receipt of specified federal funds, to order that \$20,000,000 of state money in the expansion fund be reverted to the General Fund. The bill would require small business financial development corporations to prioritize the use of federal moneys over the use of state moneys when granting new loan guarantees, as specified.*

*(3) Existing law establishes the Oil Spill Response Trust Fund in the State Treasury and continuously appropriates to the administrator for oil spill response the moneys in the fund for expenditure for specified purposes, including to cover the costs incurred by state and local government for responding to oil spills. The Lempert-Keene-Seastrand Oil Spill Prevention and Response Act requires the administrator to collect a uniform oil spill response fee, to be deposited into the fund, during any period that the fund contains less than or equal to 95% of a designated amount.*

*This bill would provide that if a loan or other transfer of money from the fund to the General Fund pursuant to the Budget Act reduces the balance of the fund to less than or equal to 95% of the designated amount, the administrator is not required to collect oil spill response fees if the annual Budget Act requires the transfer or loan to be repaid (A) to the fund with interest calculated at a rate earned by the Pooled Money Investment Account and (B) on or before June 30, 2014. The bill would require that the transfer or loan be repaid as soon as possible*

*if a spill occurs and the administrator determines that response funds are needed immediately. These provisions would be repealed on July 1, 2014.*

*(4) Existing law authorizes, until January 1, 2015, a county, in any fiscal year in which payments authorized for reimbursement to a county for lost revenue pursuant to contracts entered into under the Williamson Act are less than  $\frac{1}{2}$  of the participating county's actual foregone general fund property tax revenue, to revise the term for newly renewed and new contracts and require the assessor to value the property, as specified, based on the revised contract term. Existing law provides that a landowner may choose to nonrenew and begin the cancellation process. Existing law also provides that any increased revenues generated by properties under a new contract are to be paid to the county.*

*This bill would repeal these provisions.*

*(5) Existing law appropriates \$10,000,000 from the General Fund to the Controller for the 2010–11 fiscal year to make subvention payments to counties under the Williamson Act, as specified.*

*This bill would reduce this appropriation to zero.*

*(6) Existing law authorizes the loan of moneys in the State Treasury from one state fund or account to any other state fund or account to address the 2001–02, 2002–03, and 2003–04 fiscal years budgetary shortfalls, subject to certain conditions. Existing law requires the Director Finance to order the repayment of all or a portion of any loan made pursuant to the above provisions if he or she determines that the fund or account from which the loan was made has a need for the moneys or there is no longer a need for the moneys in the fund or account that received the loan. Existing law imposes certain reporting requirements on the Director of Finance related to the above-described loans.*

*This bill would, instead, provide that unless law authorizing any budgetary loan states otherwise, the Director of Finance shall order the repayment of all or a portion of any budgetary loan, including, but not limited to, those loans described above, if he or she determines that the fund or account from which the loan was made has a need for the moneys or there is no longer a need for the moneys in the fund or account that received the loan. This bill would require the Director of Finance to make the above-described reports with respect to any outstanding budgetary loan and would make other specified changes related to the content and receipt of the reports.*

(7) *The Public Employees' Medical and Hospital Care Act authorizes the Board of Administration of the Public Employees' Retirement System to contract with carriers for health benefit plans for employees and annuitants, as defined.*

*This bill would require the board to negotiate with carriers offering health benefit plans to add a core health plan, as defined, to the existing portfolio of health benefit plans, or to implement other measures to achieve ongoing cost savings beginning in the 2012–13 fiscal year, or both.*

(8) *The federal Indian Gaming Regulatory Act of 1988 provides for the negotiation and execution of tribal-state gaming compacts for the purpose of authorizing certain types of gaming on Indian lands within a state. The California Constitution authorizes the Governor to negotiate and conclude compacts, subject to ratification by the Legislature. Existing law ratifies a number of tribal-state gaming compacts between the State of California and specified Indian tribes. Existing law authorizes the Infrastructure and Economic Development Bank, upon a filing by the Director of Finance with the bank of a list of specified amended tribal compacts and compact assets, to sell for, and on behalf of, the state all or any portion of those compact assets to a special purpose trust, and authorizes the special purpose trust to issue bonds secured by those compact assets. Existing law provides that the portion of those compact assets that are timely deposited or are due for deposit in a specified fund between July 1, 2008, and June 30, 2011, shall not be available for the purpose described above. Existing law requires the Director of Finance to determine the portion of those compact assets attributable to each fiscal year, and authorizes the Director of Finance to direct the Controller, by separate order applicable to the assets for each fiscal year, to transfer the compact assets attributable to that fiscal year to the General Fund.*

*This bill would extend the period during which deposits of compact assets are not available for the purpose described above from June 30, 2011, to June 30, 2016.*

(9) *The federal Workforce Investment Act provides for workforce investment activities, including activities in which states may participate.*

*This bill would create the Consolidated Work Program Fund in the State Treasury, for the receipt of all moneys deposited pursuant to the federal Workforce Investment Act. The bill would require the Employment Development Department to administer those provisions, and moneys in the fund would be made available, upon appropriation*

by the Legislature, to the department for expenditure consistent with the act.

(10) Existing law provides that, for purposes of eligibility for federal-state extended unemployment benefits, an individual have earnings that exceed either 40 times his or her most recent weekly benefit amount or 1.5 times the highest quarter in the base period, and precludes the implementation of the alternative eligibility requirement for federal-state extended benefits unless the Director of the Employment Development Department determines that these provisions have been approved by the United States Department of Labor.

The federal Supplemental Appropriations Act of 2008 created the Emergency Unemployment Compensation (EUC) Program on June 30, 2008, which provides for the payment of up to 13 weeks of federally funded emergency unemployment compensation (EUC) benefits to eligible unemployed individuals nationwide who had already collected all regular state benefits for which they were eligible. The federal Unemployment Compensation Extension Act of 2008, which was enacted on November 21, 2008, further expanded the EUC Program to provide for the payment of 20 weeks of benefits nationwide, and provides for the payment of 13 more weeks of benefits to eligible unemployed individuals in states with high unemployment rates, as determined by specified criteria. The federal American Recovery and Reinvestment Act of 2009, which was enacted on February 17, 2009, extends to May 31, 2010, the period of time during which claims for EUC benefits can be filed and paid.

Existing state law provides for the payment of temporary federal-state EUC benefits authorized under the federal Supplemental Appropriations Act of 2008, the federal Unemployment Compensation Extension Act of 2008, and the federal American Recovery and Reinvestment Act of 2009 to eligible individuals in this state for weeks of unemployment on or after February 1, 2009, and continuing until the week ending 3 weeks prior to the last week for which specified provisions providing for 100% federal sharing authorized under the federal American Recovery and Reinvestment Act of 2009, except as provided, if specified economic indicators trigger the payment of those benefits.

This bill would instead provide for the payment of temporary federal-state EUC benefits authorized under the federal Supplemental Appropriations Act of 2008, the federal Unemployment Compensation Extension Act of 2008, and the federal American Recovery and Reinvestment Act of 2009 to eligible individuals in this state for weeks

*of unemployment on or after February 1, 2009, and continuing until the week ending 4 weeks prior to the last week for which specified provisions providing for 100% federal sharing authorized under the federal American Recovery and Reinvestment Act of 2009, except as provided, if specified economic indicators trigger the payment of those benefits. The bill would also revise the economic indicators triggering payment of benefits for weeks of unemployment beginning on or after December 19, 2010, and continuing until a specified date authorized by federal law or until the week ending four weeks prior to the last week for which 100 percent federal sharing is authorized by federal law, as specified. The bill would make related changes.*

*Because the bill would provide for the payment of additional amounts from the Unemployment Fund, a continuously appropriated special fund, it would make an appropriation.*

*(11) The Budget Act for the 2010–11 fiscal year appropriates moneys to state entities to fund the operations of those entities, including, among other things, for the cost of office space.*

*This bill would authorize the Director of Finance to adjust any item of appropriation for departmental support in the Budget Act for the 2010–11 fiscal year to reflect reductions in the rental rates charged to a state entity by the Department of General Services for the cost of office space in buildings owned or operated by the department.*

*(12) The Tort Claims Act provides for the liability and immunity of a governmental entity for its acts or omissions that cause harm to persons. Existing law provides that any claim for money or damages against the state is required to be presented to the California Victim Compensation and Government Claims Board within a specified period of time. Existing law requires the board, upon allowing a claim for which the Director of Finance certifies that a sufficient appropriation for the payment of the claim exists, to designate the fund from which the claim is to be paid.*

*This bill would require the board to provide notice to the chairpersons of the committees in each house of the Legislature that consider appropriations and the annual Budget Act, and the Chairperson of the Joint Legislative Budget Committee, within a specified period of time prior to allowing either the use of a current year appropriation to pay claims for prior year costs of \$500,000 or more, or claims from a single provider of goods or services with respect to a single department that exceed \$500,000 within one year.*

*The bill would also appropriate for the 2011–12 fiscal year \$1,000 from the Restitution Fund, a continuously appropriated fund, to the California Victim Compensation and Government Claims Board.*

*(13) Existing law creates in the State Treasury the Indian Gaming Special Distribution Fund for the receipt and deposit of moneys received by the state from certain Indian tribes pursuant to the terms of gaming compacts entered into with the state. Existing law authorizes moneys in that fund to be used for specified purposes, including for grants for the support of state and local government agencies impacted by tribal government gaming. Existing law, until January 1, 2021, requires each county that administers grants from the Indian Gaming Special Distribution Fund to provide an annual report to certain legislative and executive branch members by October 1 of each year detailing the specific projects funded by all grants in the county’s jurisdiction in the previous fiscal year, as specified.*

*This bill would, until January 1, 2012, and for the 2009–10 fiscal year, authorize the Controller to allocate funding to a county that submits the annual report after the October 1 deadline, but prior to July 1, 2011.*

*(14) The bill would also make various conforming and nonsubstantive changes.*

*(15) The California Constitution authorizes the Governor to declare a fiscal emergency and to call the Legislature into special session for that purpose. Governor Schwarzenegger issued a proclamation declaring a fiscal emergency, and calling a special session for this purpose, on December 6, 2010. Governor Brown issued a proclamation on January 20, 2011, declaring and reaffirming that a fiscal emergency exists and stating that his proclamation supersedes the earlier proclamation for purposes of that constitutional provision.*

*This bill would state that it addresses the fiscal emergency declared and reaffirmed by the Governor by proclamation issued on January 20, 2011, pursuant to the California Constitution.*

*(16) This bill would declare that it is to take immediate effect as an urgency statute and 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 2011.*~~

~~*Vote: majority <sup>2</sup>/<sub>3</sub>. 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. Section 5134 of the Business and Professions*  
2     *Code is amended to read:*

3     5134. The amount of fees prescribed by this chapter is as  
4 follows:

5     (a) The fee to be charged to each applicant for the certified  
6 public accountant examination shall be fixed by the board at an  
7 amount not to exceed six hundred dollars (\$600). The board may  
8 charge a reexamination fee not to exceed seventy-five dollars (\$75)  
9 for each part that is subject to reexamination.

10    (b) The fee to be charged to out-of-state candidates for the  
11 certified public accountant examination shall be fixed by the board  
12 at an amount not to exceed six hundred dollars (\$600) per  
13 candidate.

14    (c) The application fee to be charged to each applicant for  
15 issuance of a certified public accountant certificate shall be fixed  
16 by the board at an amount not to exceed two hundred fifty dollars  
17 (\$250).

18    (d) The application fee to be charged to each applicant for  
19 issuance of a certified public accountant certificate by waiver of  
20 examination shall be fixed by the board at an amount not to exceed  
21 two hundred fifty dollars (\$250).

22    (e) The fee to be charged to each applicant for registration as a  
23 partnership or professional corporation shall be fixed by the board  
24 at an amount not to exceed two hundred fifty dollars (\$250).

25    ~~(f) The board shall fix the biennial renewal fee so that, together~~  
26 ~~with the estimated amount from revenue other than that generated~~  
27 ~~by subdivisions (a) to (e), inclusive, the reserve balance in the~~  
28 ~~board's contingent fund shall be equal to approximately nine~~  
29 ~~months of annual authorized expenditures. Any increase in the~~  
30 ~~renewal fee shall be made by regulation upon a determination by~~  
31 ~~the board that additional moneys are required to fund authorized~~  
32 ~~expenditures and maintain the board's contingent fund reserve~~  
33 ~~balance equal to nine months of estimated annual authorized~~  
34 ~~expenditures in the fiscal year in which the expenditures will occur.~~  
35 The biennial fee for the renewal of each of the permits to engage  
36 in the practice of public accountancy specified in Section 5070  
37 shall not exceed two hundred fifty dollars (\$250).

1 (g) The delinquency fee shall be 50 percent of the accrued  
2 renewal fee.

3 (h) The initial permit fee is an amount equal to the renewal fee  
4 in effect on the last regular renewal date before the date on which  
5 the permit is issued, except that, if the permit is issued one year  
6 or less before it will expire, then the initial permit fee is an amount  
7 equal to 50 percent of the renewal fee in effect on the last regular  
8 renewal date before the date on which the permit is issued. The  
9 board may, by regulation, provide for the waiver or refund of the  
10 initial permit fee where the permit is issued less than 45 days before  
11 the date on which it will expire.

12 (i) (1) On and after the enactment of Assembly Bill 1868 of  
13 the 2005–06 Regular Session, the annual fee to be charged an  
14 individual for a practice privilege pursuant to Section 5096 with  
15 an authorization to sign attest reports shall be fixed by the board  
16 at an amount not to exceed one hundred twenty-five dollars (\$125).

17 (2) On and after enactment of Assembly Bill 1868 of the  
18 2005–06 Regular Session, the annual fee to be charged an  
19 individual for a practice privilege pursuant to Section 5096 without  
20 an authorization to sign attest reports shall be fixed by the board  
21 at an amount not to exceed 80 percent of the fee authorized under  
22 paragraph (1).

23 (j) The fee to be charged for the certification of documents  
24 evidencing passage of the certified public accountant examination,  
25 the certification of documents evidencing the grades received on  
26 the certified public accountant examination, or the certification of  
27 documents evidencing licensure shall be twenty-five dollars (\$25).

28 (k) The board shall fix the fees in accordance with the limits of  
29 this section and, on and after July 1, 1990, any increase in a fee  
30 fixed by the board shall be pursuant to regulation duly adopted by  
31 the board in accordance with the limits of this section.

32 (l) It is the intent of the Legislature that, to ease entry into the  
33 public accounting profession in California, any administrative cost  
34 to the board related to the certified public accountant examination  
35 or issuance of the certified public accountant certificate that  
36 exceeds the maximum fees authorized by this section shall be  
37 covered by the fees charged for the biennial renewal of the permit  
38 to practice.

39 *SEC. 2. Section 14044 of the Corporations Code is repealed.*

1     ~~14044. (a) As of July 28, 2009, notwithstanding any other~~  
2 ~~provision of this chapter, a total of eight million three hundred~~  
3 ~~thousand dollars (\$8,300,000) of state money in the expansion~~  
4 ~~fund, or the trust fund, or both, as determined by the Director of~~  
5 ~~Finance, shall not be available to corporations or to the state for~~  
6 ~~any purposes authorized by this chapter, and shall instead revert~~  
7 ~~to the General Fund.~~

8     ~~(b) For purposes of this section, “state money” means money~~  
9 ~~that can be reverted to the General Fund.~~

10     ~~(c) This section shall become inoperative as of the date upon~~  
11 ~~which the reversion pursuant to subdivision (a) is completed, and~~  
12 ~~shall be repealed on January 1 of the next succeeding calendar~~  
13 ~~year.~~

14     ~~SEC. 3. Section 14044 is added to the Corporations Code, to~~  
15 ~~read:~~

16     ~~14044. Upon notification that the state has received an award~~  
17 ~~under the federal Small Business Jobs Act of 2010 (15 U.S.C. Sec.~~  
18 ~~631 et seq.), the following shall occur:~~

19     ~~(a) The Director of Finance shall order that twenty million~~  
20 ~~dollars (\$20,000,000) of state money in the Small Business~~  
21 ~~Expansion Fund be reverted to the General Fund. For purposes~~  
22 ~~of this section, “state money” means money that can be reverted~~  
23 ~~to the General Fund.~~

24     ~~(b) Corporations shall prioritize the use of federal moneys over~~  
25 ~~the use of state moneys when granting new loan guarantees~~  
26 ~~pursuant to this article. However, that prioritization shall not apply~~  
27 ~~if the use of the federal moneys does not meet the requirements~~  
28 ~~for a guarantee pursuant to the federal act.~~

29     ~~SEC. 4. Section 965 of the Government Code is amended to~~  
30 ~~read:~~

31     ~~965. (a) Upon the allowance by the California Victim~~  
32 ~~Compensation and Government Claims Board of all or part of a~~  
33 ~~claim for which the Director of Finance certifies that a sufficient~~  
34 ~~appropriation for the payment of the claim exists, and the execution~~  
35 ~~and presentation of documents the board may require which~~  
36 ~~discharge the state of all liability under the claim, the board shall~~  
37 ~~designate the fund from which the claim is to be paid and the state~~  
38 ~~agency concerned shall pay the claim from that fund. The board~~  
39 ~~shall provide notice to the chairpersons of the committees in each~~  
40 ~~house of the Legislature that consider appropriations and the~~

1 *annual Budget Act, and the chairperson of the Joint Legislative*  
2 *Budget Committee, at least 15 days, or a shorter period as the*  
3 *Chairperson of the joint committee, or his or her designee, may*  
4 *in each instance require, prior to allowing either the use of a*  
5 *current year appropriation to pay claims for prior year costs of*  
6 *five hundred thousand dollars (\$500,000) or more, or claims from*  
7 *a single provider of goods or services with respect to a single*  
8 *department that exceeds five hundred thousand dollars (\$500,000)*  
9 *within one year. If there is no sufficient appropriation for the*  
10 *payment available, the board shall report to the Legislature in*  
11 *accordance with Section 912.8. Claims arising out of the activities*  
12 *of the State Department of Transportation may be paid if either*  
13 *the Director of Transportation or the Director of Finance certifies*  
14 *that a sufficient appropriation for the payment of the claim exists.*  
15 (b) Notwithstanding subdivision (a), if there is no sufficient  
16 appropriation for the payment of claims, settlements, or judgments  
17 against the state arising from an action in which the state is  
18 represented by the Attorney General, the Attorney General shall  
19 report the claims, settlements, and judgments to the Chairperson  
20 of either the Senate Committee on Appropriations or the Assembly  
21 Committee on Budget, who shall cause to be introduced legislation  
22 appropriating funds for the payment of the claims, settlements, or  
23 judgments.  
24 (c) Notwithstanding subdivision (a) or (b), claims, settlements,  
25 or judgments arising out of the activities of a judicial branch entity,  
26 as defined by Sections 900.3 and 940.3, or a judge thereof may be  
27 paid if the Judicial Council authorizes payment and the  
28 Administrative Director of the Courts certifies that sufficient funds  
29 for that payment exist from funds allocated to settlement,  
30 adjustment, and compromise of actions and claims. If sufficient  
31 funds for payment of settlements or judgments do not exist, the  
32 Administrative Director of the Courts shall report the settlements  
33 and judgments to the Chairperson of either the Senate Committee  
34 on Appropriations or the Assembly Committee on Budget, who  
35 shall cause to be introduced legislation appropriating funds for the  
36 payment of the settlements or judgments. If sufficient funds for  
37 payment of claims do not exist, the Administrative Director of the  
38 Courts shall report the claims to the *California* Victim  
39 Compensation and Government Claims Board, which shall have  
40 90 days to object to payment. The Administrative Director of the

1 Courts shall confer with the chairperson of the *California* Victim  
2 Compensation and Government Claims Board regarding any  
3 objection received during the 90-day period. If the *California*  
4 Victim Compensation and Government Claims Board withdraws  
5 the objection, or if no objection was received, the Administrative  
6 Director of the Courts shall report the claims to the Chairperson  
7 of either the Senate Committee on Appropriations or the Assembly  
8 Committee on the Budget, who shall cause to be introduced  
9 legislation appropriating funds for the payment of the claims. The  
10 Judicial Council may authorize any committee of the Judicial  
11 Council or any employee of the Administrative Office of the Courts  
12 to perform the functions of the Judicial Council under this section.  
13 The Administrative Director of the Courts may designate an  
14 executive staff member of the Administrative Office of the Courts  
15 to perform the functions of the Administrative Director of the  
16 Courts under this section.

17 *(d) In addition to any amounts provided in the Budget Act of*  
18 *2011, one thousand dollars (\$1,000) is appropriated for the*  
19 *2011–12 fiscal year from the Restitution Fund to the California*  
20 *Victim Compensation and Government Claims Board.*

21 *SEC. 5. Section 8670.48.3 is added to the Government Code,*  
22 *to read:*

23 *8670.48.3. (a) Notwithstanding subparagraph (A) of paragraph*  
24 *(1) of subdivision (f) of Section 8670.48, a loan or other transfer*  
25 *of money from the fund to the General Fund pursuant to the Budget*  
26 *Act that reduces the balance of the Oil Spill Response Trust Fund*  
27 *to less than or equal to 95 percent of the designated amount*  
28 *specified in subdivision (a) of Section 46012 of the Revenue and*  
29 *Taxation Code shall not obligate the administrator to resume*  
30 *collection of the oil spill response fee otherwise required by this*  
31 *article if both of the following conditions are met:*

32 *(1) The annual Budget Act requires a transfer or loan from the*  
33 *fund to be repaid to the fund with interest calculated at a rate*  
34 *earned by the Pooled Money Investment Account as if the money*  
35 *had remained in the fund.*

36 *(2) The annual Budget Act requires all transfers or loans to be*  
37 *repaid to the fund on or before June 30, 2014.*

38 *(b) A transfer or loan described in subdivision (a) shall be*  
39 *repaid as soon as possible if a spill occurs and the administrator*  
40 *determines that response funds are needed immediately.*

1 (c) *If there is a conflict between this section and any other law*  
2 *or enactment, this section shall control.*

3 (d) *This section shall remain in effect until July 1, 2014, and as*  
4 *of that date is repealed.*

5 SEC. 6. *Section 12716 of the Government Code is amended to*  
6 *read:*

7 12716. (a) Each county that administers grants from the Indian  
8 Gaming Special Distribution Fund shall provide an annual report  
9 to the Chairperson of the Joint Legislative Budget Committee, the  
10 chairpersons of the Senate and Assembly committees on  
11 governmental organization, and the California Gambling Control  
12 Commission by October 1 of each year detailing the specific  
13 projects funded by all grants in the county's jurisdiction in the  
14 previous fiscal year, including amounts expended in that fiscal  
15 year, but funded from appropriations in prior fiscal years. The  
16 report shall provide detailed information on the following:

17 (1) The amount of grant funds received by the county.

18 (2) A description of each project that is funded.

19 (3) A description of how each project mitigates the impact of  
20 tribal gaming.

21 (4) The total expenditures for each project.

22 (5) All administrative costs related to each project, excluding  
23 the county's administrative fee.

24 (6) The funds remaining at the end of the fiscal year for each  
25 project.

26 (7) An explanation regarding how any remaining funds will be  
27 spent for each project, including the estimated time for expenditure.

28 (8) A description of whether each project is funded once or on  
29 a continuing basis.

30 (b) A county that does not provide an annual report pursuant to  
31 subdivision (a) shall not be eligible for funding from the Indian  
32 Gaming Special Distribution Fund for the following year.

33 (c) *For the 2009–10 fiscal year, the Controller may allocate*  
34 *funding to a county that submits the annual report required*  
35 *pursuant to subdivision (a) after the October 1 deadline, but prior*  
36 *to July 1, 2011.*

37 (d) *This section shall remain in effect only until January 1, 2012,*  
38 *and as of that date is repealed, unless a later enacted statute, that*  
39 *is enacted before January 1, 2012, deletes or extends that date.*

1 SEC. 7. Section 12716 is added to the Government Code, to  
 2 read:

3 12716. (a) Each county that administers grants from the Indian  
 4 Gaming Special Distribution Fund shall provide an annual report  
 5 to the Chairperson of the Joint Legislative Budget Committee, the  
 6 chairpersons of the Senate and Assembly committees on  
 7 governmental organization, and the California Gambling Control  
 8 Commission by October 1 of each year detailing the specific  
 9 projects funded by all grants in the county’s jurisdiction in the  
 10 previous fiscal year, including amounts expended in that fiscal  
 11 year, but funded from appropriations in prior fiscal years. The  
 12 report shall provide detailed information on the following:

- 13 (1) The amount of grant funds received by the county.
- 14 (2) A description of each project that is funded.
- 15 (3) A description of how each project mitigates the impact of  
 16 tribal gaming.
- 17 (4) The total expenditures for each project.
- 18 (5) All administrative costs related to each project, excluding  
 19 the county’s administrative fee.
- 20 (6) The funds remaining at the end of the fiscal year for each  
 21 project.
- 22 (7) An explanation regarding how any remaining funds will be  
 23 spent for each project, including the estimated time for expenditure.
- 24 (8) A description of whether each project is funded once or on  
 25 a continuing basis.
- 26 (b) A county that does not provide an annual report pursuant  
 27 to subdivision (a) shall not be eligible for funding from the Indian  
 28 Gaming Special Distribution Fund for the following year.
- 29 (c) This section shall become operative on January 1, 2012.

30 SEC. 8. Section 16142 of the Government Code is amended to  
 31 read:

32 16142. (a) The Secretary of the Natural Resources Agency  
 33 shall direct the Controller to pay annually out of the funds  
 34 appropriated by Section 16140, to each eligible county, city, or  
 35 city and county, the following amounts for each acre of land within  
 36 its regulatory jurisdiction that is assessed pursuant to Section 423,  
 37 423.3, 423.4, or 423.5, or 426 if it was previously assessed under  
 38 Section 423.4, of the Revenue and Taxation Code:

- 39 (1) Five dollars (\$5) for prime agricultural land, as defined in  
 40 Section 51201.

1 (2) One dollar (\$1) for all land, other than prime agricultural  
2 land, which is devoted to open-space uses of statewide significance,  
3 as defined in Section 16143.

4 (b) The amount per acre in paragraph (1) of subdivision (a) may  
5 be increased by the Secretary of the Natural Resources Agency to  
6 a figure which would offset any savings due to a more restrictive  
7 determination by the secretary as to what land is devoted to  
8 open-space use of statewide significance.

9 (c) The amount per acre in subdivision (a) shall only be paid  
10 for 10 years from the date that the land was first assessed pursuant  
11 to Section 426 of the Revenue and Taxation Code, if it was  
12 previously assessed under Section 423.4 of that code.

13 (d) Notwithstanding any other provision of law, for the 2008–09  
14 fiscal year and each fiscal year thereafter, the Controller shall  
15 reduce, by 10 percent, any payment made pursuant to this section.

16 ~~(e) (1) Effective January 1, 2011, if the payment pursuant to  
17 this section for the previous fiscal year is less than one-half of the  
18 participating county's actual foregone general fund property tax  
19 revenue, the county may make a determination to implement  
20 subdivision (b) of Section 51244 and Section 51244.3. The  
21 implementation of these sections shall be suspended for any  
22 subsequent fiscal year in which the payment for the previous fiscal  
23 year exceeds one-half of the foregone general fund property tax  
24 revenue.~~

25 ~~For purposes of this subdivision, a county's actual foregone  
26 property tax revenue shall be based on the county's respective  
27 share of the general property tax dollars as reflected in the most  
28 recent annual report issued by the State Board of Equalization or  
29 20 percent, whichever is higher.~~

30 ~~(2) This subdivision shall remain operative only until January  
31 1, 2015.~~

32 *SEC. 9. Section 16142.1 of the Government Code is amended*  
33 *to read:*

34 16142.1. (a) In lieu of the payments made pursuant to Section  
35 16142, in a county that has adopted farmland security zones  
36 pursuant to Section 51296, the Secretary of the Natural Resources  
37 Agency shall direct the Controller to pay annually out of the funds  
38 appropriated by Section 16140, to each eligible county, city, or  
39 city and county, the following amount for each acre of land within  
40 its regulatory jurisdiction that is assessed pursuant to Section 423.4

1 or 426 of the Revenue and Taxation Code, if it was previously  
2 assessed under Section 423.4 of that code:

3 Eight dollars (\$8) for land that is within, or within three miles  
4 of the boundaries of the sphere of influence of, each incorporated  
5 city.

6 (b) The amount per acre in subdivision (a) shall only be paid  
7 for 10 years from the date that the land was first assessed pursuant  
8 to Section 426 of the Revenue and Taxation Code, if it was  
9 previously assessed under Section 423.4 of that code. The  
10 appropriation authorized by this subdivision shall not exceed one  
11 hundred thousand dollars (\$100,000) per year until 2005.

12 (c) Notwithstanding any other provision of law, for the 2008–09  
13 fiscal year and each fiscal year thereafter, the Controller shall  
14 reduce, by 10 percent, any payments made pursuant to this section.

15 ~~(d) (1) Effective January 1, 2011, if the payment pursuant to  
16 this section for the previous fiscal year is less than one-half of the  
17 participating county’s actual foregone general fund property tax  
18 revenue, the county may make a determination to implement  
19 subdivision (b) of Section 51244 and Section 51244.3. The  
20 implementation of these sections shall be suspended for any  
21 subsequent fiscal year in which the payment for the previous fiscal  
22 year exceeds one-half of the foregone general fund property tax  
23 revenue.~~

24 ~~For purposes of this subdivision, a county’s actual foregone  
25 property tax revenue shall be based on the county’s respective  
26 share of the general property tax dollars as reflected in the most  
27 recent annual report issued by the State Board of Equalization or  
28 20 percent, whichever is higher.~~

29 ~~(2) This subdivision shall remain operative only until January  
30 1, 2015.~~

31 *SEC. 10. Section 16148 of the Government Code is amended*  
32 *to read:*

33 16148. ~~Ten million dollars (\$10,000,000)~~ *Zero dollars (\$0)* is  
34 appropriated for the 2010–11 fiscal year from the General Fund  
35 to the Controller to make subvention payments to counties pursuant  
36 to Section 16140 in proportion to the losses incurred by those  
37 counties by reason of the reduction of assessed property taxes.

38 *SEC. 11. Section 16320 of the Government Code is amended*  
39 *to read:*

1 16320. (a) Unless otherwise prohibited by law, moneys in the  
2 State Treasury may be loaned from one state fund or account to  
3 any other state fund or account to address the 2001–02, 2002–03,  
4 and 2003–04 fiscal year budgetary shortfalls, subject to all of the  
5 following conditions:

6 (1) The loan is authorized in the 2002 Budget Act, legislation  
7 enacted in a 2003–04 Extraordinary Session, or the 2003 Budget  
8 Act.

9 (2) The terms and conditions of the loan, including an interest  
10 rate, are set forth in the loan authorization.

11 (3) The loan is considered part of the balance of the fund or  
12 account that received the funds for the purpose of accounting and  
13 budgeting, including any determination made pursuant to Section  
14 13307.

15 (4) The loan is not deducted from the balance of the fund or  
16 account from which the loan is made for purposes of calculating  
17 a fee or assessment.

18 (5) A fee or assessment is not increased as a result of a loan.

19 (6) Moneys loaned under this section are not considered a  
20 transfer of resources for purposes of determining the legality of  
21 the use of those moneys by the fund or account from which the  
22 loan is made or the fund or account that received the loan.

23 (b) (1) ~~The~~ *Unless law authorizing any budgetary loan states*  
24 *otherwise, the* Director of Finance shall order the repayment of all  
25 or a portion of any *budgetary* loan ~~made pursuant to subdivision~~  
26 ~~(a), including, but not limited to, those loans described in~~  
27 *subdivision (a), if he or she determines that either of the following*  
28 *circumstances exists:*

29 (A) The fund or account from which the loan was made has a  
30 need for the moneys.

31 (B) There is no longer a need for the moneys in the fund or  
32 account that received the loan.

33 (2) The Director of Finance shall notify, in writing, the  
34 Chairperson of the Joint Legislative Budget Committee within 30  
35 days of ordering the repayment of any of these loans.

36 (c) On August 1 of each year, the Director of Finance shall  
37 report in writing to the Chairperson of the Joint Legislative Budget  
38 Committee the balances of ~~these~~ *any outstanding budgetary* loans  
39 as of the preceding June 30.

1 (d) On February 1 of each year, the Director of Finance shall  
 2 ~~provide a report on General Fund obligations report in writing to~~  
 3 the Chairperson of the Joint Legislative Budget Committee ~~and to~~  
 4 ~~the chairpersons of the fiscal committees of the Assembly and the~~  
 5 ~~Senate. The report shall include both of the following: the balances~~  
 6 ~~of any outstanding budgetary loans as of the preceding December~~  
 7 ~~31.~~

8 ~~(1) An update of the annual August 1 report to the Chairperson~~  
 9 ~~of the Joint Legislative Budget Committee on the balances of~~  
 10 ~~outstanding loans, as reflected in the preceding Governor’s Budget.~~

11 ~~(2) A~~

12 ~~(e) The August 1 and February 1 reports described in~~  
 13 ~~subdivisions (c) and (d), respectively, shall include a summary~~  
 14 ~~and list of loans to of the General Fund or budgetary obligations~~  
 15 ~~for future payment of deferred or suspended expenditures or~~  
 16 ~~transfers to any special fund or account and the dates that the loans~~  
 17 ~~or obligations are due.~~

18 SEC. 12. Section 22850.5 is added to the Government Code,  
 19 to read:

20 22850.5. (a) In performing the duties prescribed by Section  
 21 22850, the board shall negotiate with carriers providing health  
 22 benefit plans to add a core health plan option to the existing  
 23 portfolio of health plans or to implement other measures to achieve  
 24 ongoing cost savings beginning in the 2012–13 fiscal year, or both.

25 (b) For purposes of this section, a “core health plan” means a  
 26 plan that includes all of the following:

27 (1) A plan that provides coverage for essential benefits at lower  
 28 premiums, for both the state and the employee, than existing benefit  
 29 plan options.

30 (2) A plan that may include fewer benefits and higher employee  
 31 cost sharing than those provided in existing health benefit plan  
 32 options.

33 (3) A plan option that is available for participants beginning  
 34 in the 2012 open enrollment period for the 2013 calendar year.

35 SEC. 13. Section 51244 of the Government Code is amended  
 36 to read:

37 51244. ~~(a)~~ Each contract shall be for an initial term of no less  
 38 than 10 years. Each contract shall provide that on the anniversary  
 39 date of the contract or such other annual date as specified by the

1 contract a year shall be added automatically to the initial term  
2 unless notice of nonrenewal is given as provided in Section 51245.

3 ~~(b) (1) If the county makes a determination pursuant to~~  
4 ~~subdivision (e) of Section 16142 or subdivision (d) of Section~~  
5 ~~16142.1, contracts shall be for a term of no less than nine years~~  
6 ~~for contracts currently 10 years in length or 18 years for contracts~~  
7 ~~currently 20 years in length, as the case may be. For new contracts~~  
8 ~~entered into during a year in which this subdivision is in effect,~~  
9 ~~the initial contract length shall be either 9 or 18 years. Each~~  
10 ~~contract shall provide, except in the initial year of the~~  
11 ~~determination, that on the anniversary date of the contract or such~~  
12 ~~other annual date as specified by the contract, a year shall be added~~  
13 ~~automatically to the initial term unless notice of nonrenewal is~~  
14 ~~given as provided in Section 51245.~~

15 ~~In any subsequent year during the reduced term of contract in~~  
16 ~~which increased revenue is not realized by the county pursuant to~~  
17 ~~Section 51244.3, two or three additional years shall be added to~~  
18 ~~the contract on the next anniversary date, as necessary, to restore~~  
19 ~~the contract to its full 10-year or 20-year contract length.~~

20 ~~(2) In any year in which this subdivision is implemented, the~~  
21 ~~county shall record a notice that states the affected parcel number~~  
22 ~~or numbers and current owner's names, or, alternatively, the same~~  
23 ~~information for those parcels that are not affected.~~

24 ~~(3) An addition to the assessed value shall be conveyed to the~~  
25 ~~auditor, consistent with the 10-percent reduction in the length of~~  
26 ~~the restriction, equal to 10 percent of the difference between the~~  
27 ~~valuation pursuant to Section 423, 423.3, or 423.5 of the Revenue~~  
28 ~~and Taxation Code, as applicable, and the valuation under~~  
29 ~~subdivision (b) of Section 51 or Section 110.1 of the Revenue and~~  
30 ~~Taxation Code whichever is lower. If the valuation under~~  
31 ~~subdivision (b) of Section 51 or Section 110.1 of the Revenue and~~  
32 ~~Taxation Code is lower, the addition to the assessed value shall~~  
33 ~~be zero. The increased amount of tax revenue that results from the~~  
34 ~~decrease in restriction shall be separately displayed on the~~  
35 ~~taxpayer's annual bill.~~

36 ~~(4) A landowner may elect to serve notice of nonrenewal instead~~  
37 ~~of accepting a 9-year or 18-year contract, as the case may be. In~~  
38 ~~that case, the additional assessed value shall not be added to the~~  
39 ~~property as provided for in paragraph (3).~~

1 For purposes of this subdivision, a landowner may serve notice  
 2 of nonrenewal at any time. However, a landowner who withdraws  
 3 that notice prior to the effective date shall be subject to term  
 4 modification and additional assessed value. Once served and  
 5 effective, a landowner nonrenewal notice may not be withdrawn  
 6 except for cause and with the consent of the county. A county may  
 7 adopt amendments to its uniform rules to facilitate implementation  
 8 of this subdivision during the 2010–11 fiscal year, and thereafter  
 9 as necessary.

10 (5) In addition to any other notice requirements, a county shall  
 11 provide a landowner under contract with timely written notice of  
 12 all of the following:

13 (A) Any initial hearing by the county on a proposal to adopt or  
 14 rescind the implementation of this subdivision.

15 (B) Any final decision regarding the adoption or rescission of  
 16 implementation of this subdivision.

17 (C) The landowner’s right to prevent the reduction in the term  
 18 of his or her contract pursuant to this subdivision by serving notice  
 19 of nonrenewal as specified by Section 51245. This nonrenewal  
 20 notice may be combined with the nonrenewal notice in  
 21 subparagraph (B).

22 (6) A county shall not modify or revalue a landowner’s contract  
 23 pursuant to this subdivision unless the landowner is given at least  
 24 90 days’ notice of the opportunity to prevent the modification and  
 25 revaluation by serving notice of nonrenewal and the landowner  
 26 fails to serve notice of nonrenewal. The county may use the primary  
 27 owner of record from the assessment roll to identify landowners  
 28 entitled to receive notice under this subdivision. A landowner shall  
 29 be advised of the landowner’s right to avoid continued imposition  
 30 of this subdivision in any future year and thereafter by serving a  
 31 notice of nonrenewal for that contract year. Failure of the  
 32 landowner to serve timely notice of nonrenewal in any year shall  
 33 be considered implied consent to the implementation of this  
 34 subdivision for that year.

35 Until February 1, 2011, the 90-day notice requirement may be  
 36 reduced to 60 days if the county adopts a procedure to allow  
 37 landowners to serve a notice of nonrenewal.

38 (7) This subdivision shall not apply to any of the following:

39 (A) Contracts that have been nonrenewed.

40 (B) Contracts with cities.

1 ~~(C) Open-space or agricultural easements.~~

2 ~~(D) Scenic restrictions.~~

3 ~~(E) Wildlife habitat contracts.~~

4 ~~(F) Atypical term contracts, including, but not limited to, 20-year~~  
5 ~~initial term contracts declining to 10 years, or reencumbrances~~  
6 ~~pursuant to Section 51295, if the county's board of supervisors~~  
7 ~~determines the application of this subdivision to them would be~~  
8 ~~inequitable or administratively infeasible.~~

9 ~~(8) This subdivision shall remain operative only until January~~  
10 ~~1, 2015.~~

11 *SEC. 14. Section 51244.3 of the Government Code is repealed.*

12 ~~51244.3. (a) This section shall apply to properties under a~~  
13 ~~9-year or 18-year contract, as the case may be, pursuant to~~  
14 ~~subdivision (b) of Section 51244. Notwithstanding any other~~  
15 ~~provision to the contrary, increased revenues generated by those~~  
16 ~~properties shall be allocated exclusively to the respective counties~~  
17 ~~in which those properties are located.~~

18 ~~(b) This section shall only apply if the county makes a~~  
19 ~~determination pursuant to either Section 16142 or Section 16142.1.~~

20 ~~(c) This section shall remain in effect only until January 1, 2015,~~  
21 ~~and as of that date is repealed, unless a later enacted statute, that~~  
22 ~~is enacted before January 1, 2015, deletes or extends that date.~~

23 *SEC. 15. Section 63048.66 of the Government Code is amended*  
24 *to read:*

25 63048.66. (a) Notwithstanding Section 63048.65 or any other  
26 provision of this article, compact assets that are subject to  
27 designation by the Director of Finance for sale pursuant to  
28 subdivision (a) of Section 63048.65 and that are timely deposited  
29 or are due for deposit in the Special Deposit Fund on or after July  
30 1, 2008, and on or before June 30, ~~2011~~, 2016, shall not be  
31 available for the purpose of Section 63048.65.

32 (b) The Director of Finance shall determine the portion of the  
33 compact assets described in subdivision (a) that are attributable to  
34 payments made for each fiscal year. The Director of Finance may  
35 direct the Controller, by separate order applicable to the assets for  
36 each fiscal year, to transfer the compact assets attributable to that  
37 fiscal year from the Special Deposit Fund to the General Fund.

38 (c) Upon order of the Director of Finance, the Controller shall  
39 transfer the compact assets as provided in subdivision (b).

1 (d) If any legal challenges to the issuance of bonds pursuant to  
 2 this article are settled sufficiently for the bonds to be sold, the  
 3 following shall occur:

4 (1) Notwithstanding subdivision (a), the tribal assets described  
 5 in subdivision (a) that are in the Special Deposit Fund, or are still  
 6 due for payment to the Special Deposit Fund, may be made  
 7 available for sale pursuant to subdivision (a) of Section 63048.65.

8 (2) The transfer of any compact assets to the General Fund  
 9 pursuant to this section shall be suspended until after the bonds  
 10 are sold, and any possible future transfers to the General Fund  
 11 shall be consistent with the provisions of the bond sale.

12 *SEC. 16. Section 4003 of the Unemployment Insurance Code*  
 13 *is amended to read:*

14 4003. (a) The provisions and definitions of terms in the  
 15 Federal-State Extended Unemployment Compensation Act of  
 16 1970, as amended by the federal Omnibus Budget Reconciliation  
 17 Act of 1981 (Public Law 97-35), apply to this part. “Federal-state  
 18 extended benefits” means benefits payable under this part.

19 (b) To the extent that the provisions and definitions of terms in  
 20 the American Recovery and Reinvestment Act of 2009 (Public  
 21 Law 111-5) are *in effect in federal law and are in conflict with*,  
 22 or supplement the provisions and definitions applicable pursuant  
 23 to subdivision (a), the provisions and definitions of the American  
 24 Recovery and Reinvestment Act of 2009 shall apply to this part.

25 (c) There is an “on” indicator for purposes of federal-state  
 26 extended benefits for a week if one of the following applies:

27 (1) The rate of insured unemployment under this part for the  
 28 period consisting of that week and the 12 weeks immediately  
 29 preceding the week equaled or exceeded 120 percent of the average  
 30 of the rates for the corresponding 13-week period ending in each  
 31 of the preceding two calendar years, and equaled or exceeded 5  
 32 percent.

33 (2) The rate of insured unemployment under this part for the  
 34 period consisting of that week and the 12 weeks immediately  
 35 preceding the week equaled or exceeded 6 percent, regardless of  
 36 the rate of insured unemployment in the two previous years.

37 (3) With respect to weeks of unemployment beginning on or  
 38 after February 1, 2009, and continuing until the week ending ~~three~~  
 39 *four* weeks prior to the last week for which 100 percent federal  
 40 sharing is authorized by subdivision (a) of Section 2005 of Public

1 Law 111-5 for all claims, except for reimbursable entities described  
2 in Section 3306(c)(7) of the Internal Revenue Code, both of the  
3 following apply:

4 (A) The average rate of total unemployment in this state,  
5 seasonally adjusted, as determined by the United States Secretary  
6 of Labor, for the period consisting of the most recent three months  
7 for which data for all states are published before the close of that  
8 week, equals or exceeds 6.5 percent.

9 (B) The average rate of total unemployment in this state,  
10 seasonally adjusted, as determined by the United States Secretary  
11 of Labor, for the three-month period referred to in subparagraph  
12 (A) equals or exceeds 110 percent of that average rate of total  
13 unemployment for either or both of the corresponding three-month  
14 periods ending in the two preceding calendar years.

15 (d) There is an “off” indicator for a week if, for the period  
16 consisting of that week, and the 12 weeks immediately preceding  
17 the week, none of the criteria specified in subdivision (c) results  
18 in an “on” indicator.

19 (e) For purposes of this section, the rate of insured  
20 unemployment for a 13-week period shall be determined by  
21 reference to the average monthly covered employment for the first  
22 four of the most recent six calendar quarters ending before the  
23 close of the period.

24 (f) The indicators specified in subdivisions (c) and (d) shall be  
25 operative only if mandated or permitted by federal law.

26 (g) Notwithstanding any other provision of this part, the  
27 Governor may, if permitted by federal law, suspend the payment  
28 of extended duration benefits under this part, to the extent  
29 necessary to ensure that otherwise eligible individuals are not  
30 denied, in whole or in part, the receipt of emergency unemployment  
31 compensation benefits authorized by the federal Supplemental  
32 Appropriations Act of 2008 (Public Law 110-252), the  
33 Unemployment Compensation Extension Act of 2008 (Public Law  
34 110-449), and the American Recovery and Reinvestment Act of  
35 2009 (Public Law 111-5), and that the state receives maximum  
36 reimbursement from the federal government for the payment of  
37 those emergency benefits.

38 (h) *Notwithstanding the provisions of subdivision (c), with*  
39 *respect to weeks of unemployment beginning on or after December*  
40 *19, 2010, and continuing until the earlier of the date authorized*

1 by Section 502(b) of Public Law 111-312, or the week ending four  
2 weeks prior to the last week for which 100 percent federal sharing  
3 is authorized by Section 2005(a) of Public Law 111-5 for all claims,  
4 except for reimbursable entities described in Section 3306(c)(7)  
5 of the Internal Revenue Code, the following applies:

6 (1) There is an “on” indicator for purposes of federal-state  
7 extended benefits for a week if one of the following applies:

8 (A) The rate of insured unemployment under this part for the  
9 period consisting of that week and the 12 weeks immediately  
10 preceding the week equaled or exceeded 120 percent of the average  
11 of the rates for the corresponding 13-week period ending in each  
12 of the preceding three calendar years, and equaled or exceeded 5  
13 percent.

14 (B) The rate of insured unemployment under this part for the  
15 period consisting of that week and the 12 weeks immediately  
16 preceding the week equaled or exceeded 6 percent, regardless of  
17 the rate of insured unemployment in the three previous years.

18 (C) The average rate of total unemployment in this state,  
19 seasonally adjusted, as determined by the United States Secretary  
20 of Labor, for the period consisting of the most recent three months  
21 for which data for all states are published before the close of that  
22 week, equals or exceeds 6.5 percent and the average rate of total  
23 unemployment in this state, seasonally adjusted, as determined by  
24 the United States Secretary of Labor, for the three-month period  
25 equals or exceeds 110 percent of that average rate of total  
26 unemployment for any or all of the corresponding three-month  
27 periods ending in the three preceding calendar years.

28 (2) There is an “off” indicator for a week if, for the period  
29 consisting of that week, and the 12 weeks immediately preceding  
30 the week, none of the criteria specified in paragraph (1) results in  
31 an “on” indicator.

32 (3) The indicators specified in paragraphs (1) and (2) shall be  
33 operative only if mandated or permitted by federal law.

34 SEC. 17. Section 4004 of the Unemployment Insurance Code  
35 is amended to read:

36 4004. (a) The department shall establish, for each eligible  
37 individual who files an application therefor, an extended  
38 compensation account with respect to such individual’s benefit  
39 year. The amount established in that account, subject to subdivision

1 (b) of this section, shall be not less than whichever of the following  
2 is the least:

3 (1) Fifty percent of the total amount of regular compensation  
4 payable to him or her during that benefit year under this division.

5 (2) Thirteen times his or her average weekly benefit amount.

6 (3) Thirty-nine times his or her average weekly benefit amount,  
7 reduced by the regular compensation paid to him or her during  
8 that benefit year under this division.

9 (b) The amount determined under subdivision (a) of this section  
10 shall be reduced by the aggregate amount of additional  
11 compensation paid to the individual under Part 3 (commencing  
12 with Section 3501) of this division for prior weeks of  
13 unemployment in such benefit year which did not begin in an  
14 extended benefit period.

15 (c) For purposes of subdivision (a) of this section, an  
16 individual's weekly benefit amount for a week is the amount of  
17 regular compensation under Part 1 (commencing with Section 100)  
18 of this division payable to such individual for such week of total  
19 unemployment.

20 (d) With respect to weeks beginning in a high unemployment  
21 period, subdivision (a) shall be applied in accordance with the  
22 following percentages:

23 (1) In paragraph (1) of subdivision (a), 80 percent shall be  
24 substituted for 50 percent.

25 (2) In paragraph (2) of subdivision (a), 20 times shall be  
26 substituted for 13 times.

27 (3) In paragraph (3) of subdivision (a), 46 times shall be  
28 substituted for 39 times.

29 (e) For purposes of subdivision (d), "high unemployment period"  
30 means a period during which an extended benefit period would be  
31 in effect if subparagraph (A) of paragraph (3) of subdivision (c)  
32 of Section 4003 were applied by substituting 8 percent for 6.5  
33 percent.

34 (f) *Where subdivision (h) of Section 4003 is applicable, for*  
35 *purposes of subdivision (d), "high unemployment period" means*  
36 *a period during which an extended benefit period would be in*  
37 *effect if subparagraph (C) of paragraph (1) of subdivision (h) of*  
38 *Section 4003 were applied by substituting 8 percent for 6.5 percent.*

39 *SEC. 18. Section 14004.5 is added to the Unemployment*  
40 *Insurance Code, to read:*

1 14004.5. *The Consolidated Work Program Fund is hereby*  
 2 *created in the State Treasury, for the receipt of all moneys*  
 3 *deposited pursuant to the federal Workforce Investment Act. The*  
 4 *Employment Development Department shall be the entity*  
 5 *responsible for administering this section. Moneys in the fund shall*  
 6 *be made available, upon appropriation by the Legislature, to the*  
 7 *department, for expenditure consistent with the purposes of the*  
 8 *federal Workforce Investment Act.*

9 *SEC. 19. Notwithstanding any other law, the Director of*  
 10 *Finance may adjust any item of appropriation for departmental*  
 11 *support in the Budget Act for the 2010–11 fiscal year to reflect*  
 12 *reductions in the rental rates charged to a state entity by the*  
 13 *Department of General Services for the cost of office space in*  
 14 *buildings owned or operated by the department.*

15 *SEC. 20. This act addresses the fiscal emergency declared and*  
 16 *reaffirmed by the Governor by proclamation on January 20, 2011,*  
 17 *pursuant to subdivision (f) of Section 10 of Article IV of the*  
 18 *California Constitution.*

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

24 *SEC. 22. This act is an urgency statute necessary for the*  
 25 *immediate preservation of the public peace, health, or safety within*  
 26 *the meaning of Article IV of the Constitution and shall go into*  
 27 *immediate effect. The facts constituting the necessity are:*

28 *In order to implement the Budget Act of 2011 at the earliest*  
 29 *possible time, it is necessary for this act to take effect immediately.*

30 ~~*SECTION 1. It is the intent of the Legislature to enact statutory*~~  
 31 ~~*changes relating to the Budget Act of 2011.*~~