

AMENDED IN ASSEMBLY JUNE 25, 2012  
AMENDED IN ASSEMBLY JUNE 20, 2012  
AMENDED IN SENATE JANUARY 10, 2012  
AMENDED IN SENATE MAY 4, 2011  
AMENDED IN SENATE MARCH 22, 2011

**SENATE BILL**

**No. 803**

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**Introduced by Senator DeSaulnier**

February 18, 2011

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An act to add Article 9.5 (commencing with Section 33425) to Chapter 3 of Part 20 of Division 2 of Title 2 of the Education Code, and to add and repeal Article 4.5 (commencing with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation Code, relating to youth education.

LEGISLATIVE COUNSEL'S DIGEST

SB 803, as amended, DeSaulnier. California Youth Leadership Project.

Existing law establishes the State Department of Education under the administration of the Superintendent of Public Instruction, and provides for numerous duties of the department with respect to the education of youth.

This bill would establish the California Youth Leadership Project under the State Department of Education for the purpose of supporting and promoting youth civic engagement by awarding scholarships, in accordance with specified criteria, to youth and civic engagement programs for youth from 14 to 18 years of age. The bill would create the California Youth Leadership Project Committee, which would be

chaired by the Superintendent of Public Instruction and be composed of specified appointed members. The bill would authorize the committee to enter into an interagency agreement with the State Department of Education to carry out necessary administrative functions. The committee also would be charged with determining when there are sufficient funds to support the program, and if it determines that there are insufficient funds to cover all costs, the activities of the project would cease.

The Personal Income Tax Law authorizes taxpayers to contribute amounts in excess of their tax liability for the support of specified funds.

This bill would create in the State Treasury the California Youth Leadership Fund to receive contributions from tax return designations to support the California Youth Leadership Project. The bill would allocate all moneys transferred to the California Youth Leadership Fund, as prescribed, upon appropriation by the Legislature, to the Franchise Tax Board and the Controller for the reimbursement of costs incurred, and to the State Department of Education to provide for the California Youth Leadership Project. The bill would provide for the repeal of this contribution provision for this fund on January 1 of the 5th taxable year following the first appearance of the California Youth Leadership Fund on the tax return or on January 1 of an earlier calendar year, if the Franchise Tax Board estimates that the annual contribution amount will be less than \$250,000, or an adjusted amount, as specified, for subsequent taxable years. The bill also would authorize the California Youth Leadership Committee to accept gifts and grants from any source to help perform its functions.

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

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

- 1     *SECTION 1. (a) The Legislature finds and declares that the*
- 2     *needs of California's youth can best be assessed by California's*
- 3     *youth.*
- 4     *(b) The Legislature recognizes that there are more than*
- 5     *9,000,000 youth under 19 years of age in California, and an*
- 6     *additional 3,000,000 more young adults between 18 and 24 years*
- 7     *of age.*
- 8     *(c) The Legislature recognizes that all young people need five*
- 9     *key developmental resources in order to become productive*

1 *citizens: caring adults, safe places, a healthy start, an effective*  
2 *education, and opportunities to help others. The Legislature further*  
3 *recognizes that young people who receive more of these*  
4 *developmental resources fare better than young people who receive*  
5 *fewer, and that those young people are more likely to avoid*  
6 *violence, contribute to their communities, and achieve high grades*  
7 *in school. The Legislature further recognizes the significant number*  
8 *of California’s youth who live disadvantaged lives. Of those youth,*  
9 *an estimated 200,000 minors and thousands more youth between*  
10 *18 and 24 years of age experience homelessness each year. Another*  
11 *60,000 youth are in the foster care system, over 1,250 youth in*  
12 *California currently occupy juvenile justice facilities, and more*  
13 *than 2,500 youth are on parole from those facilities. Youth who*  
14 *are homeless, in the juvenile justice system, or in foster care have*  
15 *limited opportunities to participate in the policy process that*  
16 *ultimately impacts their well-being.*

17 *(d) The Legislature recognizes that there are limited civic*  
18 *engagement opportunities for these disconnected and*  
19 *disadvantaged youth, especially opportunities developed and*  
20 *designed for and with them in mind.*

21 *(e) The Legislature is alarmed that hundreds of thousands of*  
22 *California youth are among the two-thirds of America’s children*  
23 *and youth recently identified by the America’s Promise Alliance*  
24 *as not receiving sufficient developmental resources to safely put*  
25 *them on the path to adulthood. The Legislature also is concerned*  
26 *that the high school completion rate is less than 60 percent for*  
27 *low-income pupils and pupils of color in California, that gang and*  
28 *youth violence continue to be a concern and, although birth rates*  
29 *to teen mothers have decreased, teen pregnancy and parenting*  
30 *continues to be a significant social problem in California. The*  
31 *Legislature is encouraged, however, by research indicating that*  
32 *providing more of the five developmental resources for more young*  
33 *people can help prevent many of these problems, and that millions*  
34 *of dollars in later prison, health, and welfare costs can be avoided*  
35 *by providing more developmental resources for more young people*  
36 *now.*

37 *(f) The Legislature also agrees with the America’s Promise*  
38 *Alliance’s call for greater collaboration and integration in working*  
39 *to turn failure into action and improve the lives of young people*  
40 *at risk and with the actions of the more than 20 states that have*

1 committed their state resources for the creation of statewide entities  
 2 charged with improving the developmental well-being of their  
 3 children and youth.

4 (g) The Legislature further acknowledges that youth with  
 5 disabilities often face even greater obstacles and barriers to  
 6 educational attainment and civic engagement opportunities than  
 7 their nondisabled peers and could benefit from outreach efforts  
 8 to participate in the California Youth Leadership Project. The  
 9 most recent data reveals significant disparities in achievement  
 10 between disabled and nondisabled youth. While 12 percent of the  
 11 nondisabled do not have a high school diploma, 28 percent of  
 12 people with disabilities do not have a high school diploma. In  
 13 addition, only 4 percent of people with disabilities hold a college  
 14 degree, compared to 14 percent of those without a disability.

15 (h) The Legislature also believes that the quality of an  
 16 educational program directly impacts the ability of disabled youth  
 17 to live independently as adults. Nationally, only 29 percent of youth  
 18 with disabilities between the ages of 20 to 24 are employed, which  
 19 is far below the 60 percent figure for nondisabled youth. Moreover,  
 20 the unemployment figure for adults with disabilities later rises to  
 21 an astonishing rate of 72 percent.

22 SECTION 1.

23 SEC. 2. Article 9.5 (commencing with Section 33425) is added  
 24 to Chapter 3 of Part 20 of Division 2 of Title 2 of the Education  
 25 Code, to read:

26

27 Article 9.5. California Youth Leadership Project

28

29 33425. ~~(a) The Legislature finds and declares that the needs  
 30 of California's youth can best be assessed by California's youth.~~

31 ~~(b) The Legislature recognizes that there are more than  
 32 9,000,000 youth under 19 years of age in California, and an  
 33 additional 3,000,000 more young adults between 18 and 24 years  
 34 of age.~~

35 ~~(c) The Legislature recognizes that all young people need five  
 36 key developmental resources in order to become productive  
 37 citizens: caring adults, safe places, a healthy start, an effective  
 38 education, and opportunities to help others. The Legislature further  
 39 recognizes that young people who receive more of these  
 40 developmental resources fare better than young people who receive~~

1 fewer, and that those young people are more likely to avoid  
2 violence, contribute to their communities, and achieve high grades  
3 in school. The Legislature further recognizes the significant number  
4 of California's youth who live disadvantaged lives. Of those youth,  
5 an estimated 200,000 minors and thousands more youth between  
6 18 and 24 years of age experience homelessness each year. Another  
7 60,000 youth are in the foster care system, over 1,250 youth in  
8 California currently occupy juvenile justice facilities, and more  
9 than 2,500 youth are on parole from those facilities. Youth who  
10 are homeless, in the juvenile justice system, or in foster care have  
11 limited opportunities to participate in the policy process that  
12 ultimately impacts their well-being.

13 (d) The Legislature recognizes that there are limited civic  
14 engagement opportunities for these disconnected and disadvantaged  
15 youth, especially opportunities developed and designed for and  
16 with them in mind.

17 (e) The Legislature is alarmed that hundreds of thousands of  
18 California youth are among the two-thirds of America's children  
19 and youth recently identified by the America's Promise Alliance  
20 as not receiving sufficient developmental resources to safely put  
21 them on the path to adulthood. The Legislature also is concerned  
22 that the high school completion rate is less than 60 percent for  
23 low-income pupils and pupils of color in California, that gang and  
24 youth violence continue to be a concern and, although birth rates  
25 to teen mothers have decreased, teen pregnancy and parenting  
26 continues to be a significant social problem in California. The  
27 Legislature is encouraged, however, by research indicating that  
28 providing more of the five developmental resources for more young  
29 people can help prevent many of these problems, and that millions  
30 of dollars in later prison, health, and welfare costs can be avoided  
31 by providing more developmental resources for more young people  
32 now.

33 (f) The Legislature also agrees with the America's Promise  
34 Alliance's call for greater collaboration and integration in working  
35 to turn failure into action and improve the lives of young people  
36 at risk and with the actions of the more than 20 states that have  
37 committed their state resources for the creation of statewide entities  
38 charged with improving the developmental well-being of their  
39 children and youth.

1     ~~33426.~~

2     33425. (a) The California Youth Leadership Project is hereby  
3 established under the department for the purpose of promoting  
4 youth civic engagement through meaningful opportunities to  
5 improve the quality of life for California’s disconnected and  
6 disadvantaged youth.

7     (b) The California Youth Leadership Project shall support and  
8 promote youth civic engagement by awarding scholarships to youth  
9 between 14 and 18 years of age. Furthermore, youths awarded  
10 scholarships by the California Youth Leadership Project shall be  
11 given the opportunity to make meaningful recommendations  
12 regarding legislation and policies that impact their own lives and  
13 the lives of the thousands of other youth in California whose voices  
14 often go unheard. An organization that operates civic engagement  
15 programs may submit applications for participation in the project  
16 on behalf of interested youth.

17     (c) The California Youth Leadership Project shall allocate  
18 scholarship award funds to organizations that submit applications  
19 on behalf of youth who are selected to receive scholarship awards  
20 under this article. These organizations shall do, but not necessarily  
21 be limited to, all of the following for the youth who receive  
22 scholarship awards under this article:

23     (1) Provide youth participants tools to examine and discuss  
24 policy and fiscal issues affecting the interests, needs, and conditions  
25 of the youth of California.

26     (2) Provide youth participants the opportunity to formally advise  
27 and make recommendations to the Legislature and the Governor  
28 on specific issues affecting youth. These issues may include, but  
29 need not be limited to, all of the following:

- 30     (A) Education.
- 31     (B) Employment.
- 32     (C) Access to state and local governmental services.
- 33     (D) The environment.
- 34     (E) Behavioral and physical health.
- 35     (F) Safety.
- 36     (G) Technology.
- 37     (H) Criminal justice.
- 38     (I) Homelessness.
- 39     (J) Foster care.
- 40     (K) Child welfare.

- 1 (L) Emancipation.
- 2 (M) Financial literacy.
- 3 (N) Substance abuse.
- 4 (O) Driver’s license requirements.
- 5 (P) Poverty.
- 6 (Q) Increased youth participation in state and local government.
- 7 (R) Any other policy or fiscal issues deemed appropriate by the
- 8 department.

9 (3) Provide youth participants the opportunity to consult with  
10 any existing local level youth advisory commissions and  
11 community-based, grassroots youth-led organizations for input  
12 and potential solutions on issues related to youth.

13 (4) Provide youth participants the opportunity to convene and  
14 conduct meetings to fulfill the purposes of this chapter.

15 (5) Provide youth participants the opportunity to act as an  
16 information center on California youth policy and fiscal issues,  
17 including, but not limited to, the issues listed in paragraph (2).

18 (6) When available, enable individual youth to travel to the State  
19 Capitol to learn the legislative process and, on occasion, to testify  
20 at legislative hearings.

21 (d) An organization that receives a scholarship award on behalf  
22 of youth under this article shall use these funds only for  
23 youth-related activities described in subdivision (c).

24 ~~33427.~~

25 33426. (a) The California Youth Leadership Project shall be  
26 overseen by the California Youth Leadership Project Committee.

27 (b) The California Youth Leadership Project Committee shall  
28 be established and oversee the California Youth Leadership Project  
29 and distribute funds pursuant to Article 4.5 (commencing with  
30 Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
31 Revenue and Taxation Code and this article.

32 (c) Members of the California Youth Leadership Project  
33 Committee, in making youth scholarship awards, shall take into  
34 consideration that awarded youth represent the racial, ethnic,  
35 socioeconomic, cultural, physical, and educational diversity of  
36 California. Priority for awarding scholarships under this article  
37 shall be given to at-risk or disadvantaged youth between 14 and  
38 18 years of age, as their participation in the California Youth  
39 Leadership Project will provide keen insight into many of the  
40 issues that youth face in their day-to-day lives.

1 (d) (1) The California Youth Leadership Project Committee  
2 shall be chaired by the Superintendent, or his or her designee, and  
3 shall include no more than six members.

4 (2) The Superintendent shall appoint the following four members  
5 to the California Youth Leadership Project Committee:

6 (A) A representative from a statewide nonprofit youth  
7 organization.

8 (B) A representative from a community-based nonprofit  
9 organization that serves youth or deals with youth-related issues.

10 (C) A representative of a local educational agency or school  
11 district.

12 (D) A youth between 14 and 18 years of age who has  
13 participated in a youth leadership program involving lobbying the  
14 Legislature on issue areas affecting youth. This person shall serve  
15 only in an advisory capacity.

16 (3) The California Health and Human Services Agency may  
17 also, but is not required to, appoint a member to the California  
18 Youth Leadership Project Committee.

19 (4) To the extent possible, a member of the California Youth  
20 Leadership Project Committee, appointed under any of  
21 subparagraphs (A) to (C), inclusive, of paragraph (2) shall have  
22 experience and be trained to work with youth between 14 and 18  
23 years of age on any of the issues described in subdivision (c) of  
24 Section 33426, and shall have special experience in civic  
25 engagement, advocacy, and at least one of the following issue  
26 areas affecting youth:

27 (A) Crisis prevention or intervention.

28 (B) Drug, alcohol, and tobacco abuse prevention or intervention.

29 (C) Foster care.

30 (D) Juvenile justice.

31 (E) Homelessness.

32 (F) Lesbian, gay, bisexual, and transgender rights and social  
33 justice.

34 (G) Mental health.

35 (e) The members of the California Youth Leadership Project  
36 Committee shall serve on a voluntary basis and shall not receive  
37 a salary.

38 ~~33428.~~

39 ~~33427.~~ Duties of the California Youth Leadership Project  
40 Committee shall include, but not be limited to, all of the following:

- 1 (a) Develop and provide applications for the Youth Leadership  
2 Project scholarship and collect applications from youth who would  
3 like to apply.
- 4 (b) Determine ways to promote the program and make  
5 applications available.
- 6 (c) Establish criteria for the selection of youth, and make awards  
7 based on those criteria and the purposes of this chapter.
- 8 (d) Ensure that there is no discrimination based on race, religious  
9 creed, color, national origin, age, gender, marital status, disability,  
10 sex, or sexual orientation.
- 11 (e) Establish the time, location, and number of annual meetings  
12 of the committee. The committee shall meet no less than once each  
13 year.
- 14 (f) If necessary, enter into a mutually agreed upon interagency  
15 agreement with the department to carry out administrative duties  
16 related to the project.
- 17 (g) Submit an annual budget and report to the State Department  
18 of Education department.
- 19 (h) (1) Determine when there are sufficient funds to support  
20 the project. If the committee determines that there are insufficient  
21 funds to cover all costs, the activities of the California Youth  
22 Leadership Project shall cease.
- 23 (2) State funds shall not be used to support the California Youth  
24 Leadership Project except as provided in Article 4.5 (commencing  
25 with Section 18736) of Chapter 3 of Part 10.2 of Division 2 of the  
26 Revenue and Taxation Code.
- 27 ~~33429.~~
- 28 33428. (a) The funds for the California Youth Leadership  
29 Project shall be allocated from the California Youth Leadership  
30 Fund pursuant to Article 4.5 (commencing with Section 18736)  
31 of Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation  
32 Code, or from private funds directed to the department and  
33 allocated to the California Youth Leadership Project Committee  
34 for the purpose of funding activities of the California Youth  
35 Leadership Project.
- 36 (b) The California Youth Leadership Project may accept gifts  
37 and grants from any source, public or private, to help perform its  
38 functions, pursuant to this article.
- 39 (c) The California Youth Leadership Project Committee shall  
40 have the authority to define its program and utilize its funds in any

1 way necessary to carry out the duties of this article, including, but  
2 not limited to, partnering with nonprofit groups or state agencies  
3 to perform various duties required by this article, as long as the  
4 program or activity is not in violation of a state law or regulation.

5 ~~SEC. 2.~~

6 SEC. 3. Article 4.5 (commencing with Section 18736) is added  
7 to Chapter 3 of Part 10.2 of Division 2 of the Revenue and Taxation  
8 Code, to read:

9

10 Article 4.5. California Youth Leadership Fund

11

12 18736. (a) An individual may designate on the tax return that  
13 a contribution in excess of the tax liability, if any, be made to the  
14 California Youth Leadership Fund established by Section 18737.

15 (b) The contributions shall be in full dollar amounts, and may  
16 be made individually by each signatory on a joint return.

17 (c) A designation under subdivision (a) shall be made for any  
18 taxable year on the original return for that taxable year, and once  
19 made shall be irrevocable. In the event that payments and credits  
20 reported on the return, together with any other credits associated  
21 with the individual's account, do not exceed the individual's tax  
22 liability, the return shall be treated as though no designation has  
23 been made.

24 (d) If an individual designates a contribution to more than one  
25 account or fund listed on the tax return, and the amount available  
26 is insufficient to satisfy the total amount designated, the  
27 contribution shall be allocated among the designees on a pro rata  
28 basis.

29 (e) The Franchise Tax Board shall revise the form of the return  
30 to include a space labeled "California Youth Leadership Fund" to  
31 allow for the designation permitted under subdivision (a). The  
32 form shall also include in the instructions information that the  
33 contribution may be in the amount of one dollar (\$1) or more and  
34 that the contribution shall be used to support the California Youth  
35 Leadership Project.

36 (f) Notwithstanding any other provision, a voluntary contribution  
37 designation for the California Youth Leadership Fund shall be  
38 added on the tax return when another voluntary contribution  
39 designation is removed or as soon as space is available on the tax  
40 return.

1 (g) A deduction shall be allowed under Article 6 (commencing  
2 with Section 17201) of Chapter 3 of Part 10 for any contribution  
3 made pursuant to subdivision (a).

4 18737. There is hereby established in the State Treasury the  
5 California Youth Leadership Fund to receive contributions made  
6 pursuant to Section 18736. The Franchise Tax Board shall notify  
7 the Controller of both the amount of money paid by taxpayers in  
8 excess of their tax liability and the amount of refund money that  
9 taxpayers have designated pursuant to Section 18736 to be  
10 transferred to the California Youth Leadership Fund. The  
11 Controller shall transfer from the Personal Income Tax Fund to  
12 the California Youth Leadership Fund an amount not in excess of  
13 the sum of the amounts designated by individuals pursuant to  
14 Section 18736 for payment into that fund.

15 18738. All moneys transferred to the California Youth  
16 Leadership Fund pursuant to Section 18736, upon appropriation  
17 by the Legislature, shall be allocated as follows:

18 (a) To the Franchise Tax Board and the Controller for  
19 reimbursement of all costs incurred by the Franchise Tax Board  
20 and the Controller in connection with their duties under this article.

21 (b) To the State Department of Education to provide for the  
22 California Youth Leadership Project, pursuant to Article 9.5  
23 (commencing with Section 33425) of Chapter 3 of Part 20 of  
24 Division 2 of Title 2 of the Education Code.

25 (c) All moneys allocated pursuant to subdivision (b) of this  
26 section may be carried over from the year in which they were  
27 received.

28 18739. (a) Except as otherwise provided in subdivision (b),  
29 this article shall remain in effect only until January 1 of the fifth  
30 taxable year following the first appearance of the California Youth  
31 Leadership Fund on the tax return, and as of that date is repealed.

32 (b) (1) By September 1 of the second calendar year, and by  
33 September 1 of each subsequent calendar year that the California  
34 Youth Leadership Fund appears on a tax return, the Franchise Tax  
35 Board shall do all of the following:

36 (A) Determine the minimum contribution amount required to  
37 be received during the next calendar year for the fund to appear  
38 on the tax return for the taxable year that includes that next calendar  
39 year.

1 (B) Provide written notification to the State Department of  
2 Education of the amount determined in subparagraph (A).

3 (C) Determine whether the amount of contributions estimated  
4 to be received during the calendar year will equal or exceed the  
5 minimum contribution amount determined by the Franchise Tax  
6 Board for the calendar year pursuant to subparagraph (A). The  
7 Franchise Tax Board shall estimate the amount of contributions  
8 to be received by using the actual amounts received and an estimate  
9 of the contributions that will be received by the end of that calendar  
10 year.

11 (2) If the Franchise Tax Board determines that the amount of  
12 contributions estimated to be received during a calendar year will  
13 not equal or exceed the minimum contribution amount for the  
14 calendar year, this article is repealed with respect to taxable years  
15 beginning on or after January 1 of that calendar year.

16 (3) For purposes of this section, “minimum contribution amount  
17 for the calendar year” means two hundred fifty thousand dollars  
18 (\$250,000) for the second calendar year after the first appearance  
19 of the California Youth Leadership Fund on the personal income  
20 tax return or the adjusted minimum contribution amount adjusted  
21 pursuant to subdivision (c).

22 (c) For each calendar year, beginning with the third calendar  
23 year that the California Youth Leadership Fund appears on the tax  
24 return, the Franchise Tax Board shall adjust, on or before  
25 September 1 of that calendar year, the minimum estimated  
26 contribution amount specified in subdivision (b) as follows:

27 (1) The minimum estimated contribution amount for the calendar  
28 year shall be an amount equal to the product of the minimum  
29 contribution amount for the prior September 1 multiplied by the  
30 inflation factor adjustment as specified in paragraph (2) of  
31 subdivision (h) of Section 17041, rounded off to the nearest dollar.

32 (2) The inflation factor adjustment used for the calendar year  
33 shall be based on the figures for the percentage change in the  
34 California Consumer Price Index received on or before August 1  
35 of the calendar year pursuant to paragraph (1) of subdivision (h)  
36 of Section 17041.

37 (d) Notwithstanding the repeal of this article, any contribution  
38 amounts designated pursuant to this article before its repeal shall  
39 continue to be transferred and disbursed in accordance with this  
40 article as in effect immediately before that repeal.

1  
2 **CORRECTIONS:**  
3 **Text—Page 9.**  
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