

AMENDED IN SENATE AUGUST 12, 2013

SENATE BILL

No. 503

Introduced by Senator Galgiani

February 21, 2013

An act to amend Section 9656 of the Business and Professions Code, relating to cemeteries add Sections 19829.984 and 19829.985 to the Government Code, relating to state employees, making an appropriation therefor, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 503, as amended, Galgiani. ~~Cemeteries.~~ State employees: memorandum of understanding.

Under existing law, a provision of a memorandum of understanding reached between the state employer and a recognized employee organization representing state civil service employees that requires the expenditure of funds does not become effective unless approved by the Legislature in the annual Budget Act.

This bill would approve provisions of a memorandum of understanding entered into between the state employer and State Bargaining Unit 18, the California Association of Psychiatric Technicians, that require the expenditure of funds, and would provide that these provisions will become effective even if these provisions are approved by the Legislature in legislation other than the annual Budget Act.

The bill would provide that provisions of the memorandum of understanding approved by this bill that require the expenditure of funds will not take effect unless funds for those provisions are specifically appropriated by the Legislature, and would authorize the state employer and the affected employee organization to reopen

negotiations on all or part of the memorandum of understanding if funds for those provisions are not specifically appropriated by the Legislature.

The bill also would appropriate \$1,005,000 for expenditure in the 2013–14 fiscal year for state employee compensation, as prescribed.

If a Budget Act is not enacted by July 1 of each year covered by the memorandum of understanding, the bill would continuously appropriate to the Controller unspecified amounts as necessary for the payment of compensation and employee benefits until the Budget Act is enacted for the 2013–14 and 2014–15 fiscal years and would require these expenditures to be subsumed by the eventual expenditure authority approved for each fiscal year.

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

~~Existing law, the Cemetery Act, establishes the Cemetery and Funeral Bureau within the Department of Consumer Affairs and sets forth its powers and duties, including, but not limited to, licensing and regulating cemetery managers, salespersons, and brokers. Existing law requires the bureau to examine the endowment care funds of cemetery authorities, as specified:~~

~~This bill would make nonsubstantive changes to a provision of the Cemetery Act related to endowment care funds.~~

~~Vote: majority ²/₃. Appropriation: no-yes. Fiscal committee: no-yes. State-mandated local program: no.~~

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

1 SECTION 1. *The Legislature finds and declares that the*
2 *purpose of this act is to approve an agreement pursuant to Section*
3 *3517.5 of the Government Code entered into by the state employer*
4 *and State Bargaining Unit 18, that require the expenditure of*
5 *funds.*

6 SEC. 2. *The provisions of the memorandum of understanding*
7 *prepared pursuant to Section 3517.5 of the Government Code and*
8 *entered into by the state employer and California Association of*
9 *Psychiatric Technicians, State Bargaining Unit 18, on July 9,*
10 *2013, and that require the expenditure of funds, are hereby*
11 *approved for the purposes of Section 3517.6 of the Government*
12 *Code.*

1 *SEC. 3. The provisions of the memorandum of understanding*
2 *approved by Section 2 of this act that are scheduled to take effect*
3 *on or after July 1, 2013, and that require the expenditure of funds*
4 *shall not take effect unless funds for these provisions are*
5 *specifically appropriated by the Legislature. If the Legislature*
6 *does not approve or fully fund any provision of the memorandum*
7 *of understanding that requires the expenditure of funds, either*
8 *party may reopen negotiations on all or part of the memorandum*
9 *of understanding.*

10 *SEC. 4. Notwithstanding Section 3517.6 of the Government*
11 *Code, the provisions of the memorandum of understanding included*
12 *in Section 2 that require the expenditure of funds shall become*
13 *effective even if the provisions of the memorandum of*
14 *understanding are approved by the Legislature in legislation other*
15 *than the annual Budget Act.*

16 *SEC. 5. Section 19829.984 is added to the Government Code,*
17 *to read:*

18 19829.984. (a) *Notwithstanding Section 13340, for the*
19 *2014–15 fiscal year, if the 2014–15 Budget Act is not enacted by*
20 *July 1, 2014, for the memorandum of understanding entered into*
21 *between the state employer and State Bargaining Unit 18 (effective*
22 *July 1, 2013, to July 1, 2016, inclusive) there is hereby*
23 *continuously appropriated to the Controller from the General*
24 *Fund, unallocated special funds, including, but not limited to,*
25 *federal funds and unallocated nongovernmental cost funds, and*
26 *any other fund from which state employees are compensated, the*
27 *amount necessary for the payment of compensation and employee*
28 *benefits to state employees covered by the above memorandum of*
29 *understanding until the 2014–15 Budget Act is enacted. The*
30 *Controller may expend an amount no greater than necessary to*
31 *enable the Controller to compensate state employees covered by*
32 *the above memorandum of understanding for work performed*
33 *between July 1, 2014, of the 2014–15 fiscal year and the enactment*
34 *of the 2014–15 Budget Act.*

35 (b) *If the memorandum of understanding entered into between*
36 *the state employer and State Bargaining Unit 18 (effective July 1,*
37 *2013, to July 1, 2016, inclusive) is in effect and approved by the*
38 *Legislature, the compensation and contribution for employee*
39 *benefits for state employees represented by these bargaining units*

1 shall be at a rate consistent with the applicable memorandum of
2 understanding referenced above.

3 (c) Expenditures related to any warrant drawn pursuant to
4 subdivision (a) are not augmentations to the expenditure authority
5 of a department. Upon the enactment of the 2014–15 Budget Act,
6 these expenditures shall be subsumed by the expenditure authority
7 approved in the 2014–15 Budget Act for each affected department.

8 (d) This section shall apply only to an employee covered by the
9 terms of the State Bargaining Unit 18 (effective July 1, 2013, to
10 July 1, 2016, inclusive) memorandum of understanding.
11 Notwithstanding Section 3517.8, this section shall not apply after
12 the term of the memorandum of understanding has expired. For
13 purposes of this section, the memorandum of understanding for
14 State Bargaining Unit 18 expires on July 1, 2016.

15 SEC. 6. Section 19829.985 is added to the Government Code,
16 to read:

17 19829.985. (a) Notwithstanding Section 13340, for the
18 2015–16 fiscal year, if the 2015–16 Budget Act is not enacted by
19 July 1, 2015, for the memorandum of understanding entered into
20 between the state employer and State Bargaining Unit 18 (effective
21 July 1, 2013, to July 1, 2016, inclusive) there is hereby
22 continuously appropriated to the Controller from the General
23 Fund, unallocated special funds, including, but not limited to,
24 federal funds and unallocated nongovernmental cost funds, and
25 any other fund from which state employees are compensated, the
26 amount necessary for the payment of compensation and employee
27 benefits to state employees covered by the above memorandum of
28 understanding until the 2015–16 Budget Act is enacted. The
29 Controller may expend an amount no greater than necessary to
30 enable the Controller to compensate state employees covered by
31 the above memorandum of understanding for work performed
32 between July 1, 2015, of the 2015–16 fiscal year and the enactment
33 of the 2015–16 Budget Act.

34 (b) If the memorandum of understanding entered into between
35 the state employer and State Bargaining Unit 18 (effective July 1,
36 2013, to July 1, 2016, inclusive) is in effect and approved by the
37 Legislature, the compensation and contribution for employee
38 benefits for state employees represented by these bargaining units
39 shall be at a rate consistent with the applicable memorandum of
40 understanding referenced above.

1 (c) Expenditures related to any warrant drawn pursuant to
2 subdivision (a) are not augmentations to the expenditure authority
3 of a department. Upon the enactment of the 2015–16 Budget Act,
4 these expenditures shall be subsumed by the expenditure authority
5 approved in the 2015–16 Budget Act for each affected department.

6 (d) This section shall apply only to an employee covered by the
7 terms of the State Bargaining Unit 18 (effective July 1, 2013, to
8 July 1, 2016, inclusive) memorandum of understanding.
9 Notwithstanding Section 3517.8, this section shall not apply after
10 the term of the memorandum of understanding has expired. For
11 purposes of this section, the memorandum of understanding for
12 State Bargaining Unit 18 expires on July 1, 2016.

13 SEC. 7. The sum of one million five thousand dollars
14 (\$1,005,000) is hereby appropriated for expenditure in the 2013–14
15 fiscal year in augmentation of, and for the purpose of state
16 employee compensation as provided in Items 9800-001-0001,
17 9800-001-0494, and 9800-001-0988 of Section 2.00 of the Budget
18 Act of 2013 (Chapter 20 of the Statutes of 2013) in accordance
19 with the following schedule:

20 (a) Nine hundred twenty-four thousand dollars (\$924,000) from
21 the General Fund in augmentation of Item 9800-001-0001.

22 (b) Fifty-four thousand dollars (\$54,000) from unallocated
23 special funds in augmentation of Item 9800-001-0494.

24 (c) Twenty-seven thousand dollars (\$27,000) from other
25 unallocated nongovernmental cost funds in augmentation of Item
26 9800-001-0988.

27 SEC. 8. This act is an urgency statute necessary for the
28 immediate preservation of the public peace, health, or safety within
29 the meaning of Article IV of the Constitution and shall go into
30 immediate effect. The facts constituting the necessity are:

31 In order for the provisions of this act to be applicable as soon
32 as possible in the 2013–14 fiscal year, and thereby facilitate the
33 orderly administration of state government at the earliest possible
34 time, it is necessary that this act take effect immediately.

35 SECTION 1. ~~Section 9656 of the Business and Professions~~
36 ~~Code is amended to read:~~

37 ~~9656. If the bureau finds, after notice and hearing, that any~~
38 ~~endowment care funds have been invested in violation of the~~
39 ~~provisions of the Health and Safety Code, the bureau shall, by~~
40 ~~written order mailed to the person or body in charge of the fund,~~

1 require the reinvestment of the funds in conformity to that code
2 within a period that shall be not less than two years if the
3 investment was made prior to October 1, 1949, not less than six
4 months if the investment was made on or after October 1, 1949,
5 and before the effective date of the amendment of this section by
6 the 1969 Regular Session of the Legislature, and not less than 30
7 days if the investment is made on or after the effective date of the
8 amendment. The period may be extended by the bureau in its
9 discretion.

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