

Senate Bill No. 1074

CHAPTER 221

An act to amend Section 16305.2 of the Government Code, relating to state government.

[Approved by Governor August 21, 2014. Filed with Secretary of State August 21, 2014.]

LEGISLATIVE COUNSEL'S DIGEST

SB 1074, Knight. State government: state funds.

Under existing law, all money in the possession of or collected by any state agency or department is state money, as defined, and is subject to provisions governing its deposit and handling in trust accounts. Existing law creates the State Treasury System to deposit state money held by state agencies prior to expenditure.

This bill would make it a misdemeanor for a state employee to knowingly transfer or use state money outside of the State Treasury System, except as authorized by statute.

Because this bill would create a new crime, it would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

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

SECTION 1. Section 16305.2 of the Government Code is amended to read:

16305.2. (a) All money in the possession of or collected by any state agency or department, except for money in the Local Agency Investment Fund, is subject to Sections 16305.3 to 16305.7, inclusive, and is hereafter referred to as state money.

(b) Except as otherwise provided by this chapter or authorized by statute, any transfer, expenditure, or other use of state money knowingly committed by a state employee, outside of the State Treasury System is a misdemeanor, punishable by up to one year in a county jail, or a two-thousand-five-hundred-dollar (\$2,500) fine, or both.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because

this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.