

AMENDED IN ASSEMBLY APRIL 21, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 582**

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**Introduced by Assembly Member Calderon**

February 24, 2015

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An act to add and repeal Chapter 4 (commencing with Section 15660) of Part 9 of Division 3 of Title 2 of the Government Code, relating to state government.

LEGISLATIVE COUNSEL'S DIGEST

AB 582, as amended, Calderon. Professionals in Public Service Act of 2015.

(1) Under existing law the State Board of Equalization collects and administers a variety of tax and fee programs with respect to matters including, but not limited to, vehicle fuels, timber, cigarettes and tobacco products, alcoholic beverages, emergency telephone services, integrated waste management, oil spills, hazardous materials, underground storage systems, and private railroad cars.

This bill would enact the Professionals in Public Service Act of 2015, which would establish the state professionals in public service program within the State Board of Equalization for the purpose of utilizing the expertise of private-sector entrepreneurs to help make state governmental activities and practices more streamlined and accessible to small businesses. The program would authorize the executive director of the board to appoint a maximum of 5 persons during any calendar year to serve the board, on a voluntary basis, as a professional in public service with duties as set forth in the bill. The bill would provide *that* these

duties be performed pursuant to an agreement and subject to specified confidentiality requirements, the violation of which is a crime. By expanding the scope of a crime, this bill would impose a state-mandated local program.

This bill would require the director of the board to ~~accept appointment applications for the position of a professional in public service and to establish prescribed procedures for complying with the bill~~ *adopt procedures for implementing the program* by March 1, 2016. *The bill would preclude appointment of a professional in public service after August 1, 2016, and would establish the final date of service under the appointment as December 31, 2017.* The bill would require the director to establish an informal working group of ~~executives on loan~~ *professionals in public service* to discuss best practices, experiences, obstacles, opportunities, and recommendations.

This bill would, notwithstanding any law, require the director to annually report on the program to the Governor and the Assembly Committee on Jobs, Economic Development, and the Economy, with the final report due ~~January 1, 2019~~ *March 31, 2021*.

This bill would repeal these provisions ~~January 12, 2021~~ *January 1, 2022*.

(2) 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.

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

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

- 1 SECTION 1. The Legislature finds and declares the following:
- 2 (a) California is home to some of the most innovative and
- 3 resourceful entrepreneurs in the world, making it the nation's leader
- 4 in technology and related industries.
- 5 (b) The state should harness this innovation and leverage it to
- 6 provide the best possible customer service to all of its citizens in
- 7 the most cost-effective, efficient, and creative manner.
- 8 (c) Creativity and efficiency should not be limited to the private
- 9 sector, but rather should be embraced and developed to further the
- 10 public interest.

1 (d) The Professionals in Public Service Act of 2015 applies a  
2 philosophy of success to state government, allowing the most  
3 creative private sector professionals to volunteer their time and  
4 expertise to make government work better for its citizens.

5 (e) *Establishing the professionals in public service program in*  
6 *a California state agency is a model that has been applied*  
7 *successfully by a variety of public and private entities and has*  
8 *proven to be a useful tool to help various processes become more*  
9 *efficient.*

10 (f) *It is the intent of the Legislature that the Professionals in*  
11 *Public Service Act of 2015 serve as a model for similar measures*  
12 *authorizing other state agencies to utilize and adopt similar*  
13 *programs, where applicable, to support and streamline activities*  
14 *associated with their regulatory responsibilities.*

15 SEC. 2. Chapter 4 (commencing with Section 15660) is added  
16 to Part 9 of Division 3 of Title 2 of the Government Code, to read:

17  
18 CHAPTER 4. PROFESSIONALS IN PUBLIC SERVICE ACT OF 2015

19  
20 15660. (a) This chapter shall be known, and may be cited, as  
21 the Professionals in Public Service Act of 2015.

22 (b) As used in this chapter, the following terms have the  
23 following meanings:

24 (1) “Board” means the State Board of Equalization.

25 (2) “Director” means the Secretary of the State Board of  
26 Equalization, or his or her designee.

27 (3) “Professional in public service” means an individual  
28 appointed as a professional ~~on loan pursuant~~ *pursuant* to the  
29 program.

30 (4) “Program” means the professionals in public service  
31 program, as established by this chapter.

32 15661. (a) The professionals in public service program is  
33 hereby established within the board for the purpose of utilizing  
34 the expertise of private-sector ~~executives~~ *professionals* to help  
35 make state governmental activities and practices more streamlined  
36 and accessible to small businesses.

37 (b) ~~(1) The director~~ *The board shall, by March 1, 2016, adopt*  
38 *procedures for implementing the program, and shall begin*  
39 *accepting applications within 60 days after their adoption. At a*  
40 *minimum, the procedures shall include all of the following:*

1 (1) *The director may appoint one or more professionals in public*  
2 *service under the program during the program’s existence,*  
3 *however, the director shall not appoint more than five professionals*  
4 *in public service during any calendar year.* ~~An~~

5 (2) *Nominations for appointment may be submitted by any entity,*  
6 *public or private, may recommend candidates for the board to*  
7 *consider.* ~~private.~~

8 (3) *An application for appointment may be submitted in writing*  
9 *on a form developed by the board, or through an online application*  
10 *process established by the board.*

11 ~~(2)~~

12 (4) Any person appointed as a professional in public service  
13 shall meet at least one of the following qualifications:

14 (A) The individual shall have demonstrated success in working  
15 with California small businesses and entrepreneurs.

16 (B) The individual shall have successfully developed, invented,  
17 or created a product and brought the product to the marketplace.

18 ~~(3)~~

19 (5) A person appointed as a professional in public service shall  
20 not have a conflict of interest with the activities of the board,  
21 including, but not limited to, having any existing business before  
22 the board.

23 ~~(e) The director shall accept appointment applications for the~~  
24 ~~position of a professional in public service and shall establish~~  
25 ~~procedures for complying with this chapter by March 1, 2016.~~  
26 ~~Among other requirements, the procedures shall include all of the~~  
27 ~~following:~~

28 ~~(1)~~

29 (6) A process for screening prospective appointees, including  
30 checking backgrounds and references.

31 ~~(2)~~

32 (7) A standard memorandum of understanding that stipulates  
33 the responsibilities of each party in undertaking ~~an executive on~~  
34 ~~loan~~ *a professional in public service* under the program, including,  
35 but not limited to, duties, goals, expected outcomes, administrative  
36 support, and office participation. This standard memorandum of  
37 understanding may function as a model for future professionals in  
38 public service programs.

39 ~~(3)~~

1 (8) A reporting process that provides sufficient information for  
2 the director to report as set forth in subdivision (c) of Section  
3 15663.

4 ~~(d)~~

5 (c) Prior to the appointment of a professional in public service,  
6 the board shall approve the procedures established by the director  
7 pursuant to subdivision ~~(e)~~: (b).

8 (d) *The appointment of a professional in public service shall be*  
9 *made no later than August 1, 2016. The final date of service of a*  
10 *professional in public service appointed under this chapter shall*  
11 *be December 31, 2017.*

12 (e) Before the effective date of an appointment under this  
13 chapter, every individual selected to participate in the program  
14 shall have entered into a memorandum of understanding with the  
15 director. The memorandum of understanding shall be specific as  
16 to the placement and clearly identify the duties, goals, expected  
17 outcomes, administrative support, and office participation. The  
18 memorandum of understanding shall set the benchmarks and  
19 metrics for evaluating the success of the placement.

20 ~~(f) A professional in public service may serve in that capacity~~  
21 ~~for up to the life of the program.~~

22 ~~(g)~~

23 (f) Procedures adopted pursuant to this chapter are hereby  
24 exempted from the rulemaking provisions of the Administrative  
25 Procedure Act (Chapter 3.5 (commencing with Section 11340) of  
26 Part 1).

27 15662. (a) Subject to the confidentiality requirements of  
28 Section 15619 of this code and of the Revenue and Taxation Code  
29 applicable to the board, and pursuant to an agreement that satisfies  
30 Section 6830 of the Revenue and Taxation Code, a professional  
31 in public service shall have all of the following duties:

32 (1) Providing recommendations to the board on how to  
33 streamline, eliminate, or modify potentially inefficient or  
34 duplicative activities, processes, and programs, if any, of the board.

35 (2) Providing recommendations to the board on methods to  
36 improve program efficiency at the board or new initiatives, if any,  
37 that may be instituted at the board to address the needs of small  
38 businesses and entrepreneurs.

1 (3) Assisting the board in improving outreach and service to  
 2 small business concerns and entrepreneurs including, but not  
 3 limited to, the following:

4 (A) Facilitating meetings and forums to educate small businesses  
 5 and entrepreneurs on programs or initiatives of the board.

6 (B) Facilitating in-service sessions with employees of the board  
 7 on issues of concern to entrepreneurs and small businesses.

8 (C) Providing technical assistance or mentorship to small  
 9 businesses and entrepreneurs in accessing programs at the board.

10 (b) A professional in public service shall serve on a  
 11 project-based, voluntary basis, and shall be given a timeline for  
 12 completion. At the discretion of the director, the professional in  
 13 public service shall have access to an office, computer, and other  
 14 related support services and equipment as the director determines  
 15 to be necessary for the professional in public service to discharge  
 16 his or her duties.

17 15663. (a) A professional in public service shall report directly  
 18 to the director.

19 (b) The director shall establish an informal working group of  
 20 ~~executives on loan~~ *professionals in public service* to discuss best  
 21 practices, experiences, obstacles, opportunities, and  
 22 recommendations.

23 (c) (1) Notwithstanding any law, including, but not limited to,  
 24 Section 10231.5, the director shall annually prepare and submit to  
 25 the Governor and the Assembly Committee on Jobs, Economic  
 26 Development, and the Economy a report on the program. The  
 27 report, at a minimum, shall include all of the following:

28 (A) A progress report on the activities of each professional in  
 29 public service during the reporting period, based on the applicable  
 30 memorandum of understanding.

31 (B) A general summary on how the overall program is  
 32 addressing the goals of the program, which are as follows:

33 (i) Making board-administered programs simpler, easier to  
 34 access, more efficient, and more responsive to the needs and  
 35 concerns of small businesses and entrepreneurs.

36 (ii) Providing for better outreach by the board to the private  
 37 sector.

38 (iii) Strengthening coordination and interaction between the  
 39 board and the private sector on issues relevant to entrepreneurs  
 40 and small business concerns.

1 (2) It is anticipated that program impacts will not be fully  
2 measurable until recommended changes and activities are fully  
3 implemented. The director shall continue measuring and reporting  
4 the impact of the activities of the professional in public service for  
5 three years following the placement of a professional in public  
6 service.

7 (3) The report shall be filed in compliance with Section 9795.

8 (4) The final annual report shall be filed by ~~January 1, 2019~~.  
9 *March 31, 2021. After the final report is filed, no further reporting*  
10 *is required under this chapter.*

11 15664. This chapter shall remain in effect only until January  
12 1, ~~2021~~, 2022, and as of that dated is repealed.

13 SEC. 3. No reimbursement is required by this act pursuant to  
14 Section 6 of Article XIII B of the California Constitution because  
15 the only costs that may be incurred by a local agency or school  
16 district will be incurred because this act creates a new crime or  
17 infraction, eliminates a crime or infraction, or changes the penalty  
18 for a crime or infraction, within the meaning of Section 17556 of  
19 the Government Code, or changes the definition of a crime within  
20 the meaning of Section 6 of Article XIII B of the California  
21 Constitution.