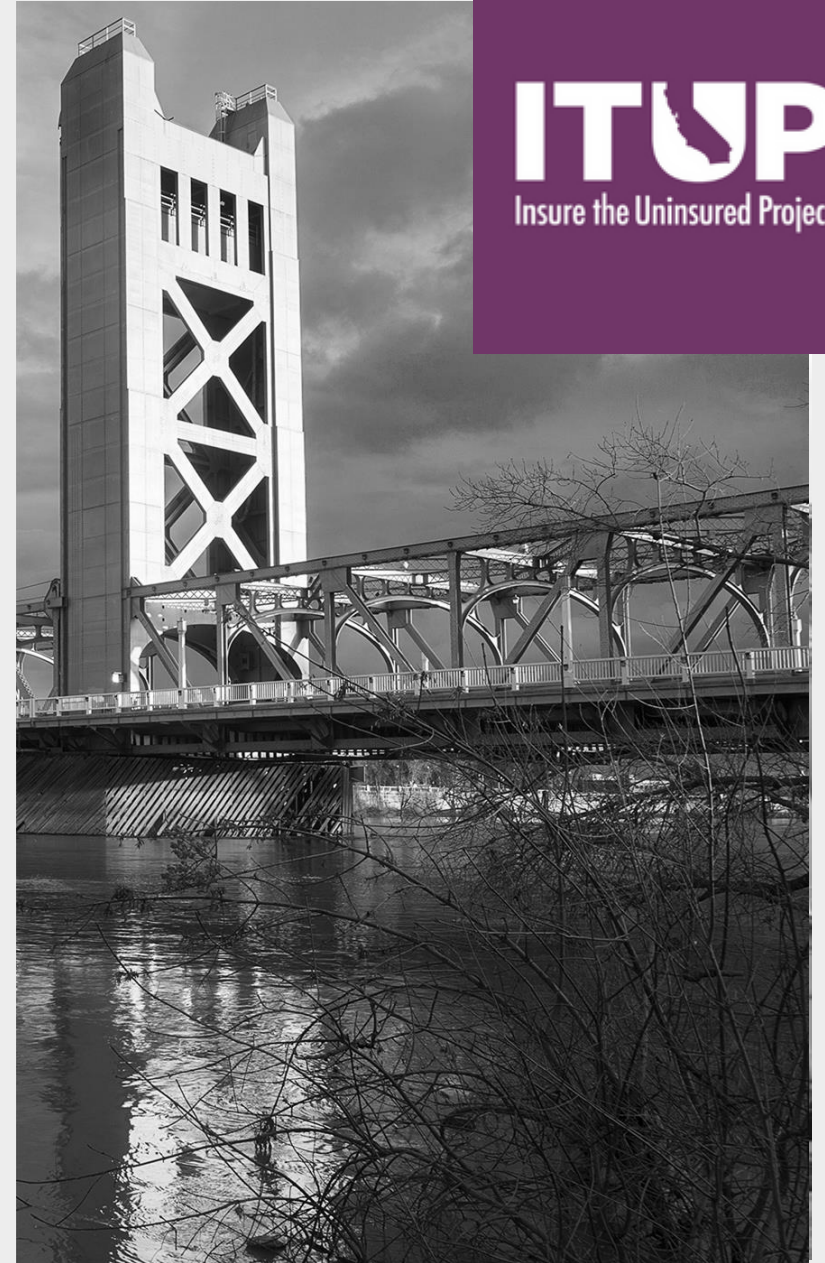


State Government 101: Legislative, Budget, and Administrative Processes

Katie Heidorn, MPA, Executive Director

Marissa Kraynak, PhD, Director of Health Policy Research



ITUP Mission & Vision



Mission

ITUP's mission is to promote innovative and workable policy solutions that expand health care access and improve the health of all Californians. ITUP implements its mission through policy-focused research and broad-based stakeholder engagement.

Vision

ITUP believes that all Californians should have a fair opportunity to live their healthiest lives.

ITUP Values



Universal – All Californians are eligible for comprehensive health coverage and services, including primary, specialty, behavioral, oral, and vision health services, as well as services that address the social determinants of health.

Equitable – All Californians receive health care coverage, treatment, and services that address the social determinants of health regardless of health status, age, ability, income, language, race, ethnicity, gender identity, sexual orientation, immigration status, and geographic region.

Accessible – All Californians have access to coverage options and services that are available, timely, and appropriate.

Effective – Health, health care, and related services that address the social determinants of health are person-centered, value-based, coordinated, and high-quality.

Affordable – Coverage and services are affordable for consumers at the point of purchase and care; and, at the health system level for public and private purchasers

About ITUP

25-year-old,
independent 501(c)(3)
health policy
organization

Each year, ITUP:

- Hosts an annual conference
- Hosts online 360-degree Policy Forums and Webinars (thanks for being with us today!)
- Runs a dozen policy and regional workgroups across the state from San Diego to Humboldt counties
- Produces 10 state and regional Health Coverage Fact Sheets
- Publishes in-depth issue briefs and high-level health policy fact sheets

We have 3 KEY FOCUS areas:

- Coverage and Access
- Delivery System Transformation
- The Future of Health

Training Agenda



1. Overview



Legislative Bills

2. Processes and How They Intersect



Administrative Rulemaking

3. Ways to Engage



Budget

Government Overview: Key Roles

Legislature



Governor



Agency/Departments



Executive Branch

**Pass Laws and
Resolutions**

**Inputs and
Approves State
Budget**

**Holds
Informational,
Policy, and
Fiscal Hearings**

Signs or Veto Bills

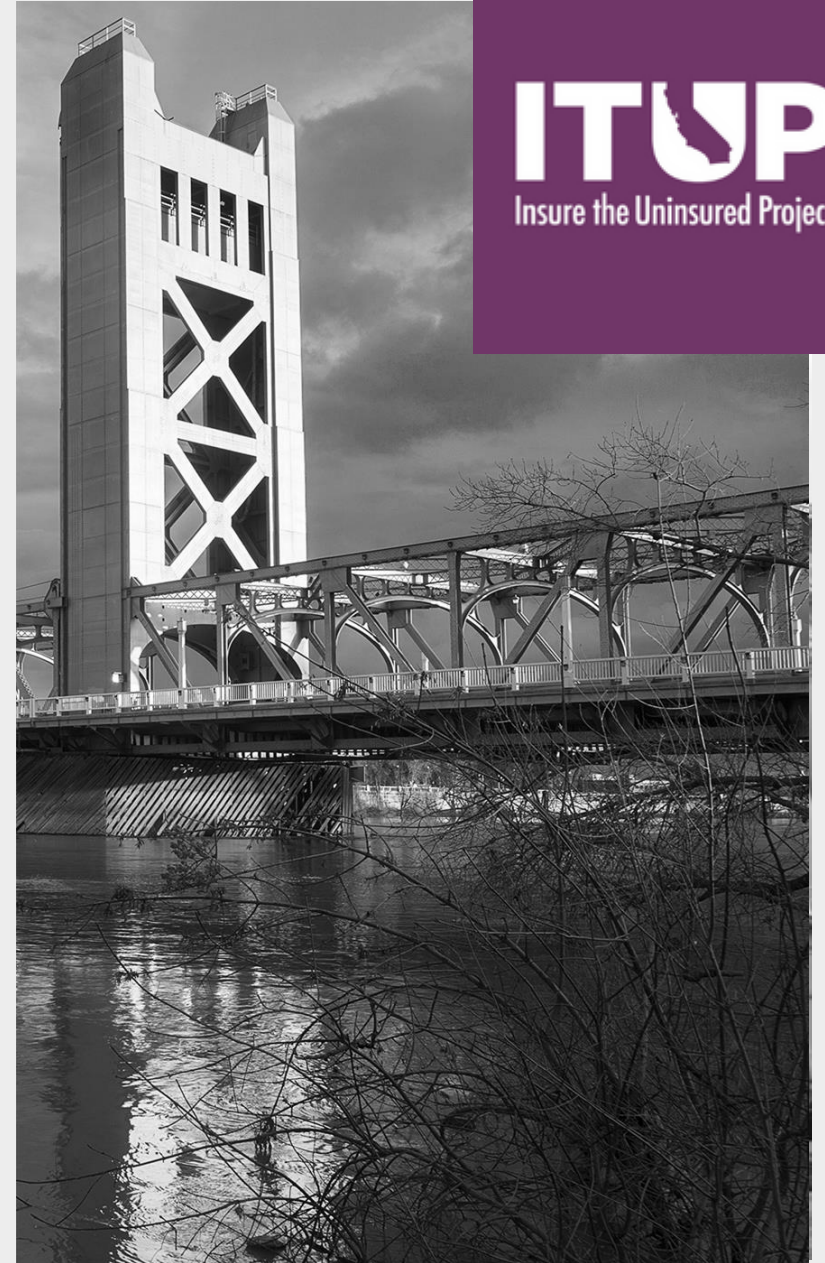
**Proposes and
Signs Budget
Appointments**

**Reports to
Governor**

**Create, Administer,
and Evaluate
Programs**

**Develop and
Implement
Regulations and
Rules**

California Legislative Process 101



Overview: California's Legislature



- Full-Time Legislature vs. Part-Time Legislature
- Two-Year Legislative Session ("Biennial" session)
- Two Houses ("Bicameral Legislature")
 - State Assembly: 80 Assemblymembers, two-year terms each
 - State Senate: 40 Senators, four-year terms each
- Term Limits—12 years total

Legislative Calendar

- Find the current calendar, that includes key deadlines on both the California [Assembly](#) and [Senate](#) websites
- Includes deadlines for both the Legislature and the Governor's budget.

Pro Tip!

The Legislative and Budget deadlines are included in the same timeline.

Legislative Calendar: Key Deadlines

2022 TENTATIVE LEGISLATIVE CALENDAR

COMPILED BY THE OFFICE OF THE ASSEMBLY CHIEF CLERK AND THE OFFICE OF THE SECRETARY OF THE SENATE
Revised 10-21-21

DEADLINES

- Jan. 1** Statutes take effect (Art. IV, Sec. 8(c)).
- Jan. 3** Legislature reconvenes (J.R. 51(a)(4)).
- Jan. 10** Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- Jan. 14** Last day for **policy committees** to hear and report to **fiscal committees** fiscal bills introduced in their house in the odd-numbered year (J.R. 61(b)(1)).
- Jan. 17** Martin Luther King, Jr. Day.
- Jan. 21** Last day for any committee to hear and report to the **floor** bills introduced in that house in the odd-numbered year. (J.R. 61(b)(2)).
Last day to submit **bill requests** to the Office of Legislative Counsel.
- Jan. 31** Last day for each house to pass bills introduced in that house in the odd-numbered year (J.R. 61(b)(3)) (Art. IV, Sec. 10(c)).
- Feb. 18** Last day for bills to be **introduced** (J.R. 61(b)(4), J.R. 54(a)).
- Feb. 21** Presidents' Day.

JANUARY

	S	M	T	W	TH	F	S
Interim Recess							1
Wk. 1	2	3	4	5	6	7	8
Wk. 2	9	10	11	12	13	14	15
Wk. 3	16	17	18	19	20	21	22
Wk. 4	23	24	25	26	27	28	29
Wk. 1	30	31					

FEBRUARY

	S	M	T	W	TH	F	S
Wk. 1			1	2	3	4	5
Wk. 2	6	7	8	9	10	11	12
Wk. 3	13	14	15	16	17	18	19
Wk. 4	20	21	22	23	24	25	26

- Bill Introduction
- Policy Committee
- Fiscal Committee
- House of Origin
- End of Session
- Recesses (Summer and Fall)
- Sign/Veto

Fast Facts: Leading Up to and Introducing a Bill



- Legislative Offices Determine Legislative Priorities for the Year
- Draft Bills
- Stakeholder Sponsored Bills
- Once a Bill has been Introduced (in print):
 - Must be in print for 30 days before it can be acted on
 - Bill will be referred by the Rules Committee to the appropriate policy committee(s)

Pro Tip!

Develop bill ideas in early Fall and meet with Legislative Staff before Thanksgiving to maximize the chance a Legislator picks your bill!

Legislative Policy Committees



Who Makes Up Policy Committees?

- House leadership assigns chairs and members of the committees
- Small group of Legislators, ideally with interest and understanding of the policy areas

Key Health Related Policy Committees:

- [Senate](#) and [Assembly](#) Health
- [Assembly Aging and Long Term Care](#)
- [Senate](#) and [Assembly](#) Human Services

Function of the Legislative Policy Committees

Set Public Hearings on Referred Bills

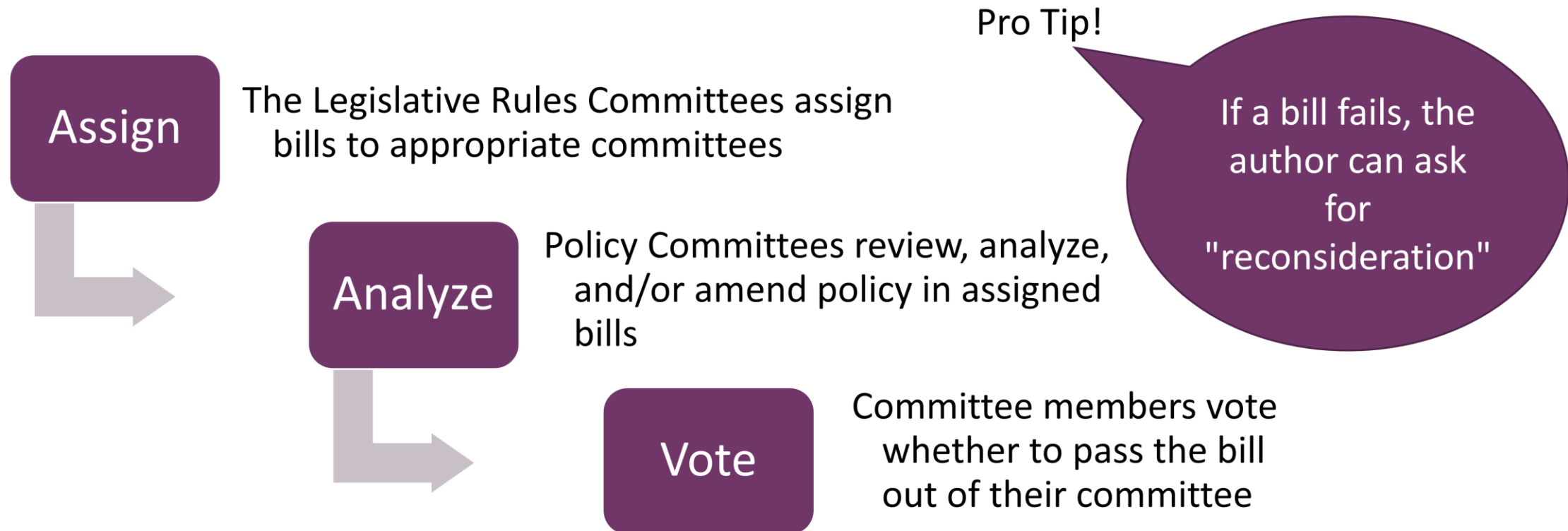
Conducts Public Hearings Which Includes:

- Publicly available bill analysis by committee consultant
- Stakeholder and public testimony
- Voting/Action by committee members
 - Do Pass (Aye)
 - Do Pass as Amended (Aye)
 - Do Not Pass (No)
 - Abstain

Pro Tip!

Assembly committees require a "motion" & a "second" while Senate committees only require a "motion" (no "second")

Overview of Policy Committee Process



Legislative Policy Committees



Important Policy Committee Rules

- Ways to Amend Bills in Policy Committee
 - Author Amendments: amendments made before being heard in policy committee, with the approval of the committee chair
 - 'Do Pass as Amended': proposed amendments that are presented to committee members and adopted, by vote, at the committee hearing
- 72 Hours in Print Rule: Any author bill amendments must be in print for 72 hours before being heard in committee

Legislative Fiscal Committees

Budget Committee

- Review and amend budget bill, based on Governor's proposal
- Holds overview hearings on Administrative, Legislative, and stakeholder budget proposals

Appropriations Committee

- Reviews, amends, and votes on policy bills that have a fiscal impact
- Holds hearings to vote on fiscal bills

Actions in both fiscal committees depend on available state revenue.

Suspense File hearings are generally the last hearing before the fiscal deadline



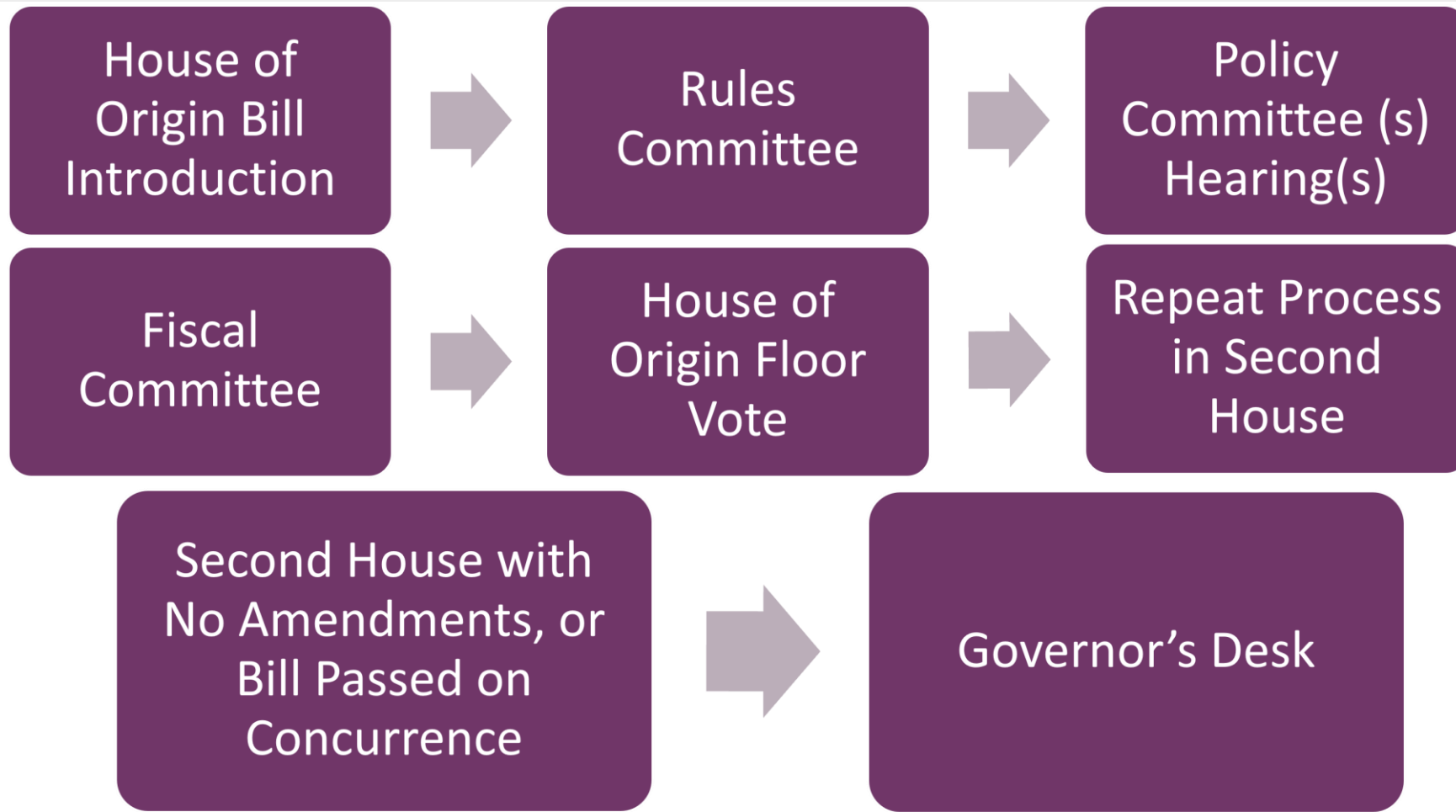
A bill is "held on suspense," does not move forward

Appropriations Committee

Bills that will be placed on the Suspense File

- Assembly
 - Any bill with an annual cost of \$150,000 or more, from any fund
- Senate
 - Any bill with an annual cost of \$50,000 General Fund or \$150,000 federal or special funds
 - Senate Rule 28.8: Any bill determined by the committee to cost less than \$50,000 total funds, can be released from the Senate Appropriations Committee without a vote of the committee

Legislative Bill Process: Summary

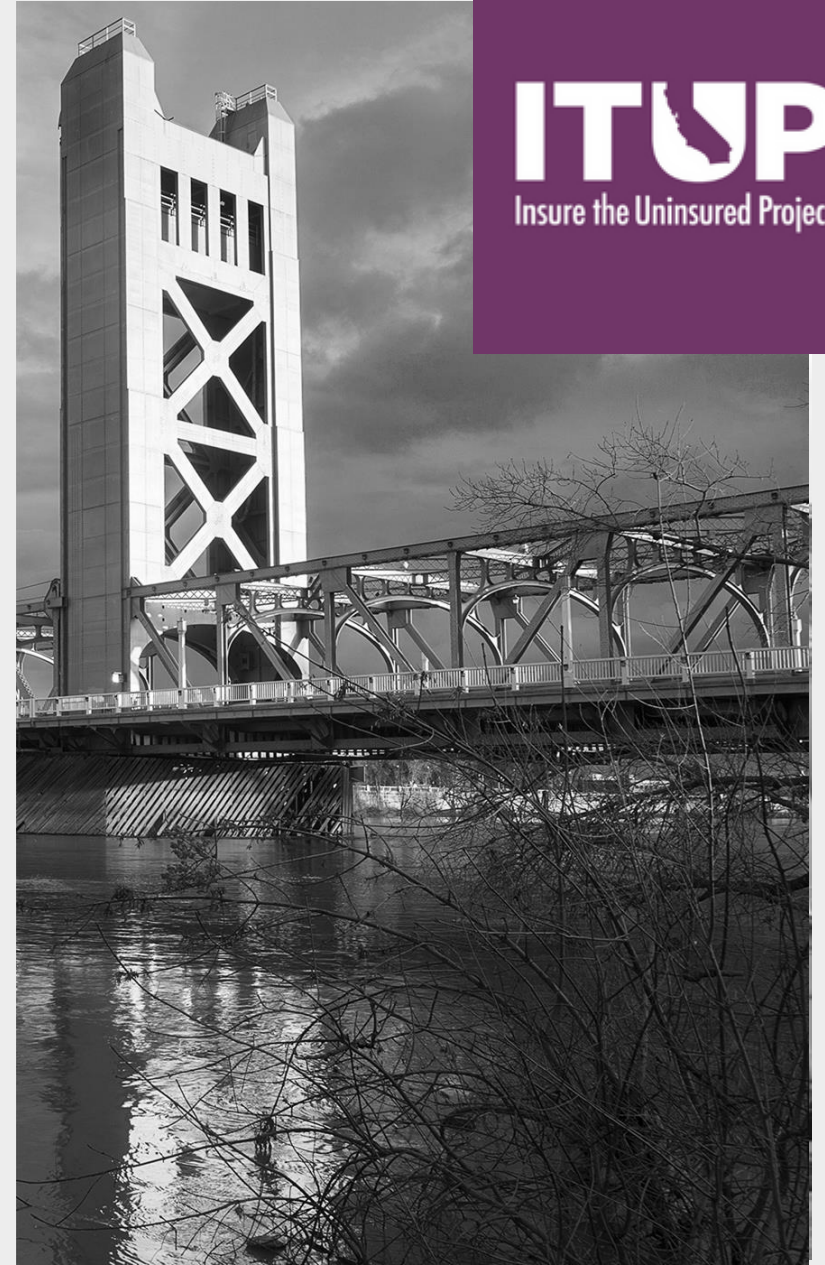


Final Stage: Going to the Governor

- Enrolled Bill: The status of a bill after passing both houses of the Legislature, but not yet acted on by the Governor.
- Enrolled Bill Reports: The Executive Branch prepares "EBRs" that include a summary of the bill and its policy and fiscal impacts. The "EBRs" are presented to the Governor to assist them in deciding.
- Governor's Options—30 Days
 - 1. Sign
 - 2. Veto
 - 3. Leave on Desk



Engagement Strategy on Legislative Bills



Effective Tools and Strategies for Engaging with the Government

Coalition
Building

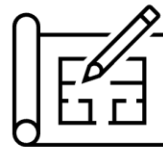
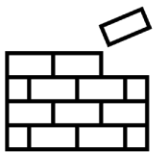


Letters of
Support



Social
Media

Meet with
Legislators and
department
Directors



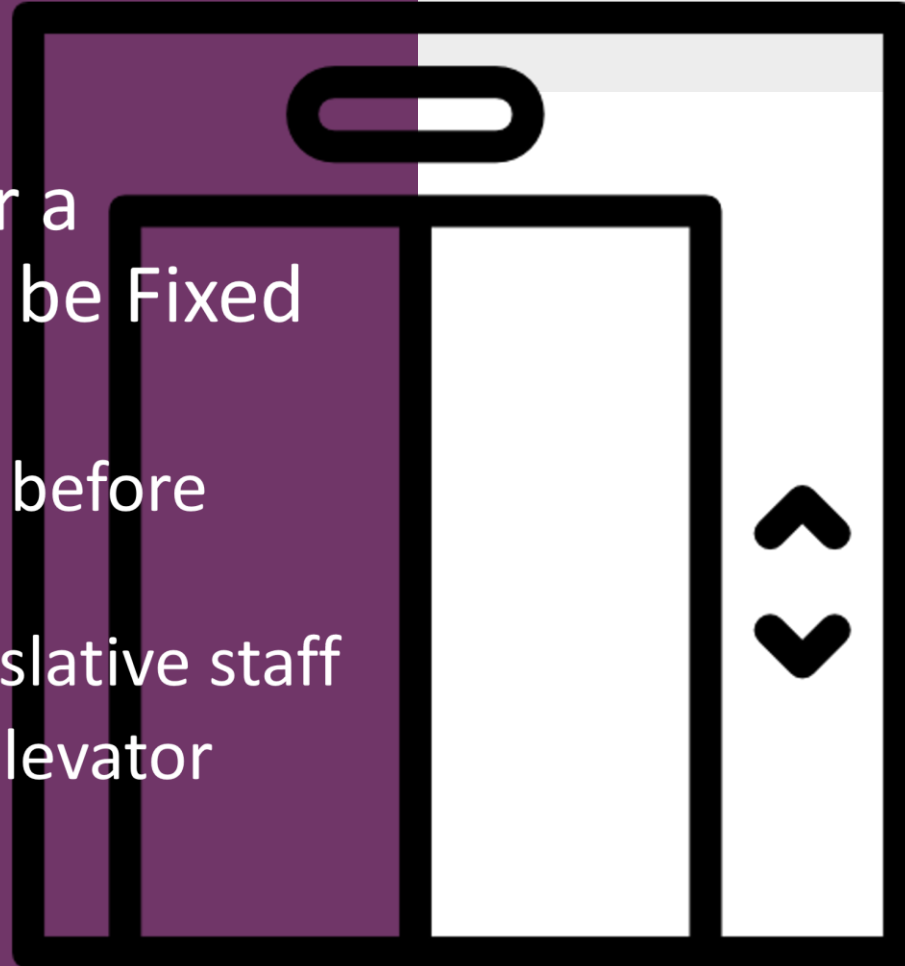
Create and
Disseminate
Educational
Materials



Engaging with the Legislature

With a Bill Idea or a Problem that can be Fixed Legislatively

- Fall, preferably before Thanksgiving
- Meet with Legislative staff
- Prepare clear elevator pitch



TIPS FOR AN EFFECTIVE ELEVATOR PITCH

1. Who are you?
2. What is the problem?
3. Why is this issue important (to the Legislator and to your community)?
4. Clear ask. What is the solution, cost, and what can the Legislature do about it?

Engaging with the Legislature



On Introduced Bills:

- Policy and Fiscal Committees
 - Meet with committee staff before this bill is set for a hearing
 - Provide public testimony or 'Me Too' statements at public hearings
 - Write support or opposition letters to be included in the bill analysis
 - Social Media
 - Op-Eds

Engaging with the Legislature



On Introduced Bills:

- Before Floor Votes

- Meet with Legislative staff after it passes policy and/or fiscal committees and before the bill is taken up on the floor.
- Write support or opposition letters (also called 'Floor Alerts')
- Social media
- Op Eds

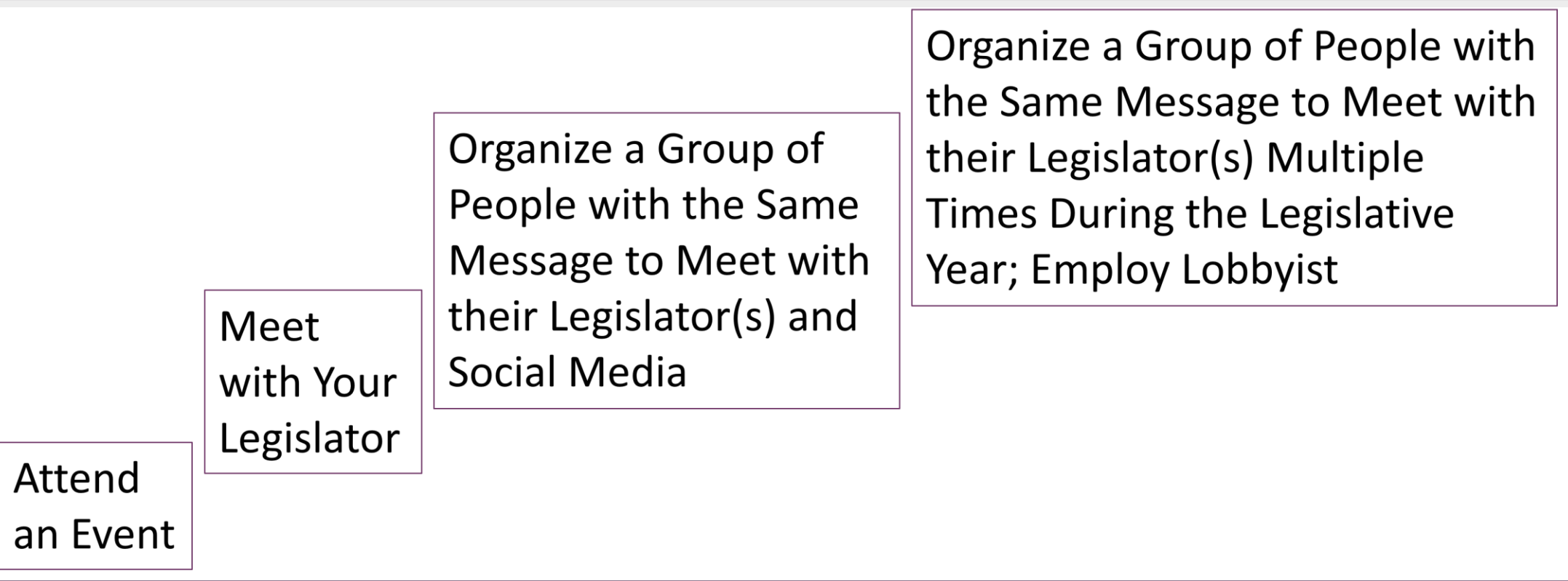
Effective Advocacy Tools and Strategies



Local Level Relationship Building

- Meet with your representatives at the state and local levels
- Invite district representative and district directors to local events in your community
- The frequency of interacting with state and local staff increases the chances for change

Effective Advocacy Spectrum: How to Engage



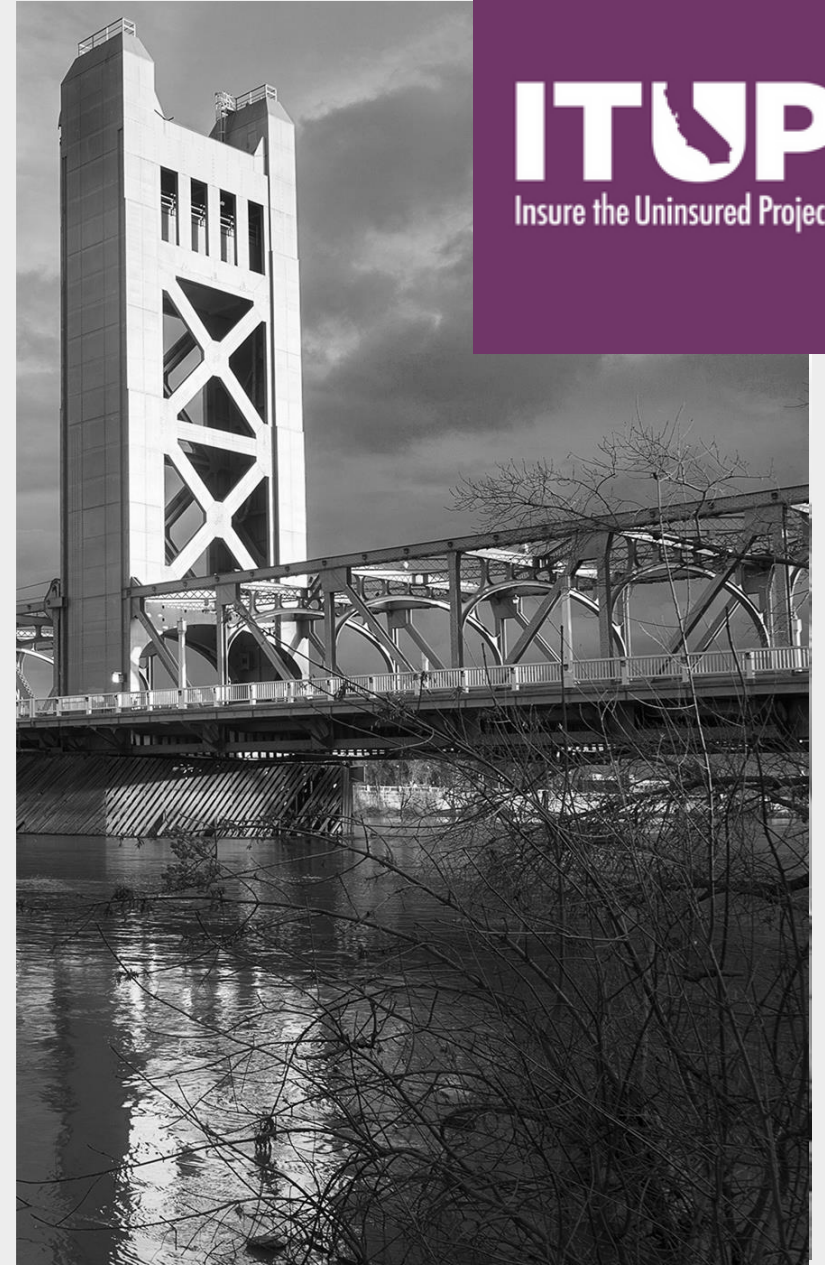
Effort/Time Commitment

When to Engage with the Governor's Office on Legislation



- Before First Policy Committee Hearing
 - Meet with relevant Executive Branch Departments
 - Meet with relevant Department of Finance (DOF) staff
 - Meet with Governor's Office (GO) staff
- Review DOF's Public Fiscal Analysis when Published
- Take Amendments to Address their Concerns
- When Bill "Goes to the Governor for Signature"
 - Send Sign/Veto request letters to Governor and cc relevant GO staff

California Legislature: Key Definitions



Legislative 101: Key Definitions



Amendment: Formal proposal to change the language of a bill after it has been introduced.

Appropriation: The amount of money set aside for a specific purpose and designated from a specific source. (Ex. source: the General Fund)

Bill: A proposed law introduced in either the Assembly or the Senate and identified with a number. (Assembly Bills=AB; Senate Bills=SB)

Bill Analysis: A document that explains how a bill would change current law. A bill analysis must be prepared and published before hearing the bill in committee.

Legislative 101: Key Definitions



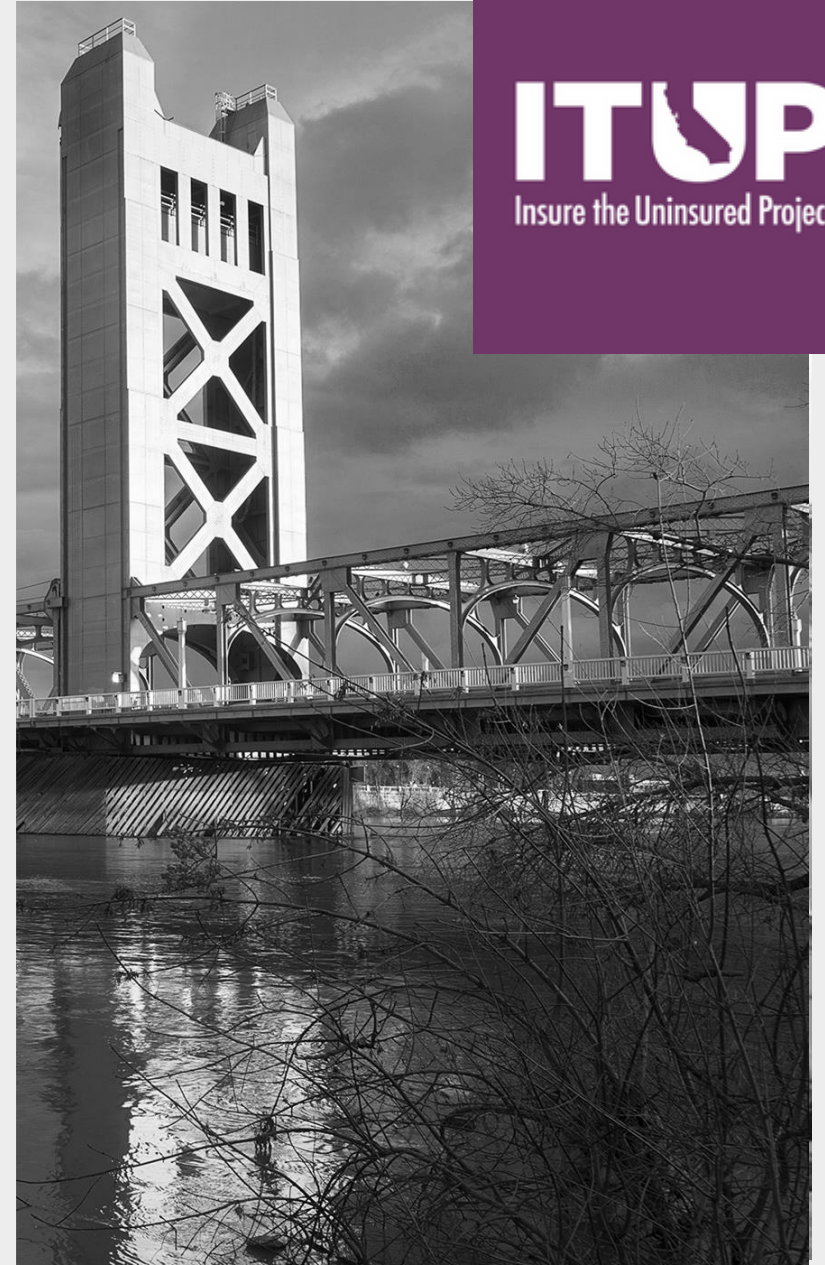
Chapter: Reference, assigned by the Secretary of State, to a legislative measure after a bill has been signed by the governor. (Ex. AB 1, Chapter 1, Statutes of 2021)

Concurrence: The approval of the opposite house after a bill has passed through that house and there are amendments taken in the other house.

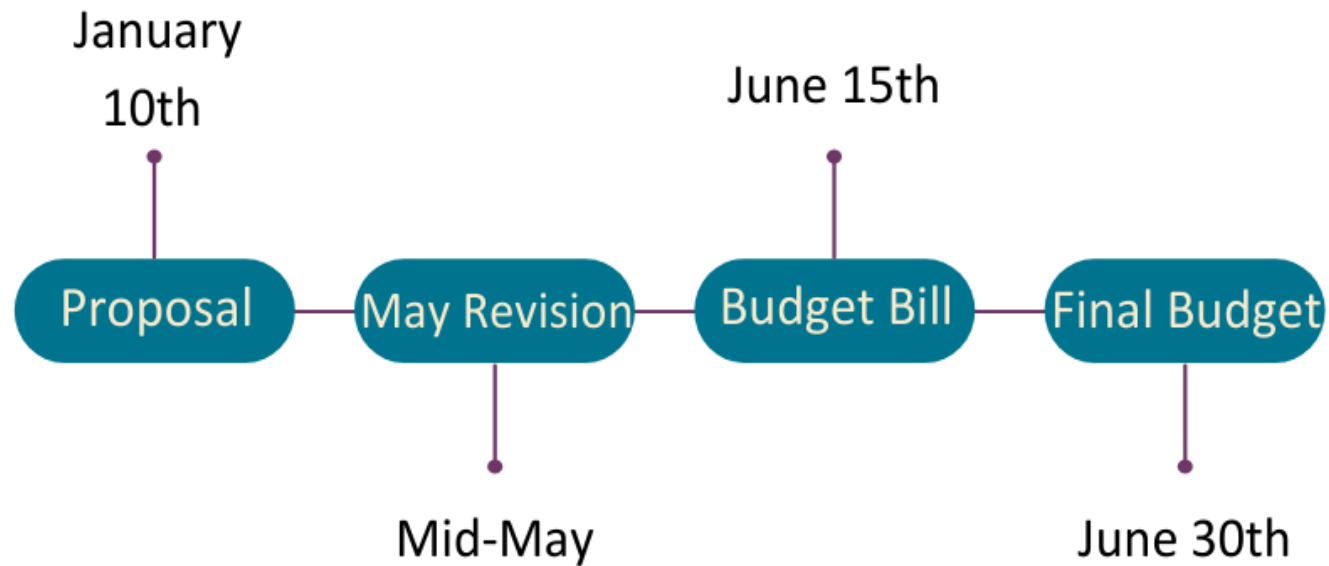
Consent Calendar: A group of non-controversial bills passed by a committee or the full Assembly or Senate on one vote.

Daily File: Publication produced daily by each house listing their official agendas, including a schedule of committee hearings & bills eligible for floor action. (Link to the Daily File on the Senate & Assembly Websites)

California State Budget Process 101

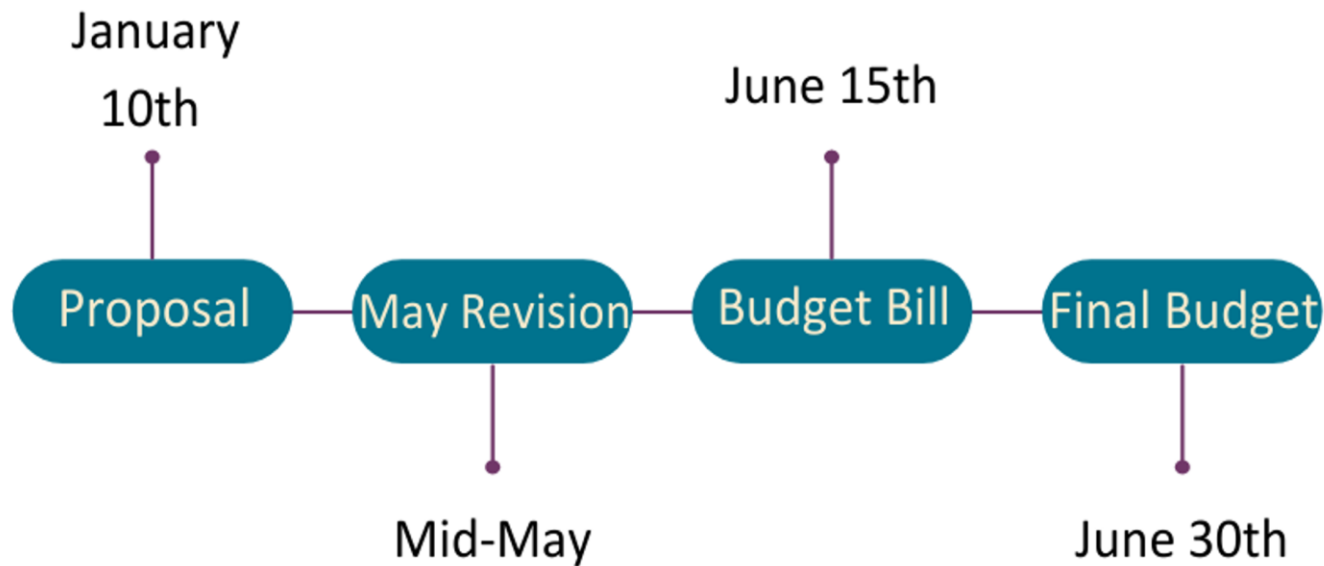


Budget Timeline: Key Dates



California's Fiscal Year (FY) is from July 1 through June 30th

Budget Timeline: Key Dates



State Agencies
and Departments,
as well as the
Legislature, Play
Key Roles
Throughout the
Budget Process

Budget Process: May Revision

What is the May Revision?

- Updated estimate of revenues and expenditures from the Governor's Proposed Budget after annual tax revenues come in
- May Revision Letters
- May Local Assistance Estimates



Access Budget Resources



Where to Find Proposal Details:

- [DOF](#)
 - Summaries and detailed documents
 - Summaries divided by issue areas
- Department Highlight Summaries
 - More detailed than DOF summaries
 - Issue specific:
 - DHCS, CDPH, CDSS, California Department of Aging
- [Legislative Analyst's Office](#)



Building the Budget: Before Jan. 10 and May Revision



- State Departments and Agencies play a significant role in preparing for the Governor's budget proposals released January 10th each year.
- These entities produce the following:
 - Budget Change Concepts (Reviewed by Agencies June/July)
 - Budget Change Proposals (Reviewed by Agencies/DOF August/September)
 - Local Assistance Estimates (Reviewed by Agencies, DOF September/October and March/April—these are, respectively, the "November" and "May" Estimates)
 - April 1 "Spring Letters" (Reviewed by Agencies/DOF February)
 - May Revision Letters (Reviewed by Agencies/DOF April)

Building the Budget: Before Jan. 10 and May Revision

Budget Change Concept (BCC): A document from a state department to propose budget changes.

- Developed by state departments in May/June
- Sent to appropriate state agency in July
- If approved, BCCs will become Budget Change Proposals (BCPs)

Building the Budget: Before Jan. 10 and May Revision

Budget Change Proposals (BCPs): A document from a state agency that proposes and justifies budget changes and is used in preparing the Governor's budget proposal.

- Developed from budget change concepts (BCCs) for agency review in August
- Go to Department of Finance (DOF) in September
- Approved by the Governor in the fall

Building the Budget: Before Jan. 10 and May Revision



Local Assistance Estimates: Expenditure forecasts on the costs for current and upcoming fiscal years.

- Developed by state departments
- Go to Agency and DOF in September for approval by November and in March for approval by May.
- Especially relevant for select DHCS, CDPH, and CDSS programs
 - NOTE: Most programs do NOT have estimates

Building the Budget: Before Jan. 10 and May Revision



Spring Letters: Essentially the same as BCPs but prepared after the Jan. 10 budget release.

- Developed by departments for Agency review in January
- Go to DOF in February
- Released April 1st

Building the Budget: Before Jan. 10 and May Revision



May Revision Letters: Essentially the same as BCPs, but prepared after the Jan. 10 budget release and released at May Revision.

- Developed by departments for Agency review in March/April
- Go to DOF in April
- Released with May Revision

Legislature's Role in the California Budget

Budget Committees

- [Assembly Budget Committee](#)
 - [Sub Committee 1 Health and Human Services](#)
- [Senate Budget and Fiscal Review Committee](#)
 - [Sub Committee 3 Health and Human Services](#)

Pro Tip!

Call Budget Sub Committees in each house for schedules and details on budget hearings and legislative and stakeholder proposal deadlines.

Legislature's Role in the California Budget



February- May

Budget Committees Hear Governor's Jan. 10, Legislature, and Stakeholder Proposals

May-June

Hold May Revision Hearings; Houses must reconcile the budget, vote on, and pass one Budget Bill

June

Legislature must pass the Budget Bill by June 15 or they do not get paid or go on Summer Recess

The Governor typically tries to sign the budget bill by July 1, the start of the new fiscal year.

The Governor has the authority to reduce or eliminate any appropriation ("Blue Pencil" veto).

Legislature's Role in the California Budget: The Budget Bill



- Identical bills are introduced in both the Assembly and the Senate. The author of these bills are the respective Budget Chairs/Committees. Only one of the bills ultimately becomes the Budget Act.
- The final budget bill, voted on and approved by the Legislature with at least a 50 percent majority vote, and signed by the Governor is known as the Budget Act.
- The Budget Act is goes into effect as soon as it is signed.

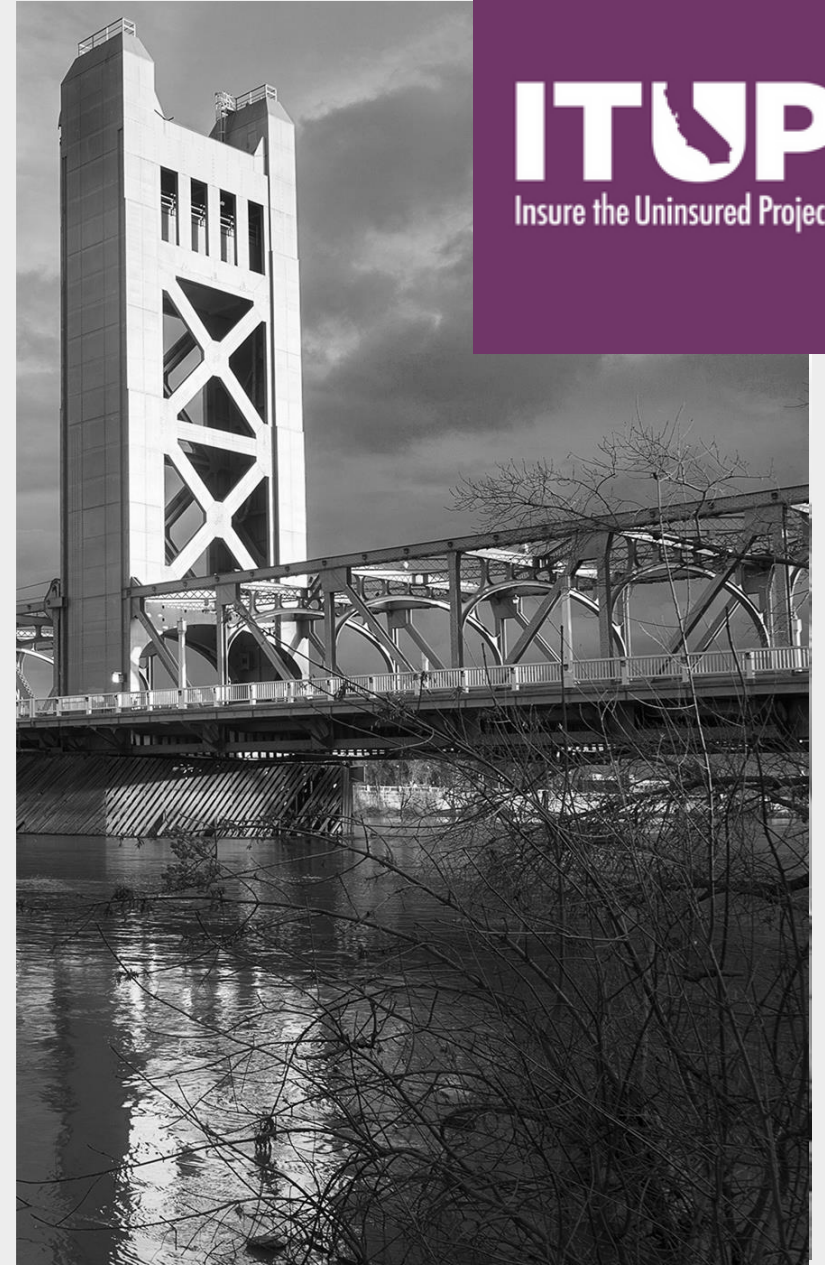
Legislature's Role in the California Budget: The Budget Trailer Bills



Budget Trailer Bill: A bill that accompanies the Budget Bill and makes statutory changes necessary to implement the Budget Act.

- Trailer bills are introduced in each house and are subject-specific. For example, there is always a "health" trailer bill, a "human services" trailer bill, etc.
- Trailer bill language is developed and proposed by both DOF and the Legislature.
- Budget Committees (not Policy Committees) hold hearings on trailer bill items.
- Trailer bills DO NOT need to be passed by the Legislature by June 15, unlike the main Budget Bill.
- Final trailer bills must be voted on by both the Assembly and Senate before they are sent to the Governor for signature.

State Budget Engagement Strategies



Effective Tools and Strategies for Engaging on the State Budget

Coalition
Building

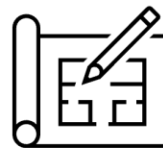
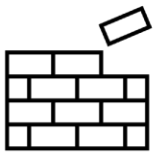


Letters of
Support



Social
Media

Meet with
Legislators and
department
Directors



Create and
Disseminate
Educational
Materials



Engaging with the Administration



Prior to January 10 Budget Release

- Meet with Administration Staff in May of the year prior to the upcoming budget if you want a change to an existing program or a new program
- Suggest they propose a Budget Change Concept
- On a parallel path, prepare the same proposal as a "Legislative Stakeholder Proposal"

Engaging with the Budget Process

After Jan. 10: Making a Budget Ask

Legislative Champion

- Find a Legislator to formally make a budget ask on your behalf
- Meet with other Legislators to gain more support for your budget ask
- Seek a Legislative Champion for your proposal in each House

Stakeholder Proposals

- Obtain stakeholder proposal deadline & hearing info from budget committee staff
- Draft letter of support templates & gather support letters for your ask
- Meet with Legislative offices to gain support

Supporting Existing Proposals

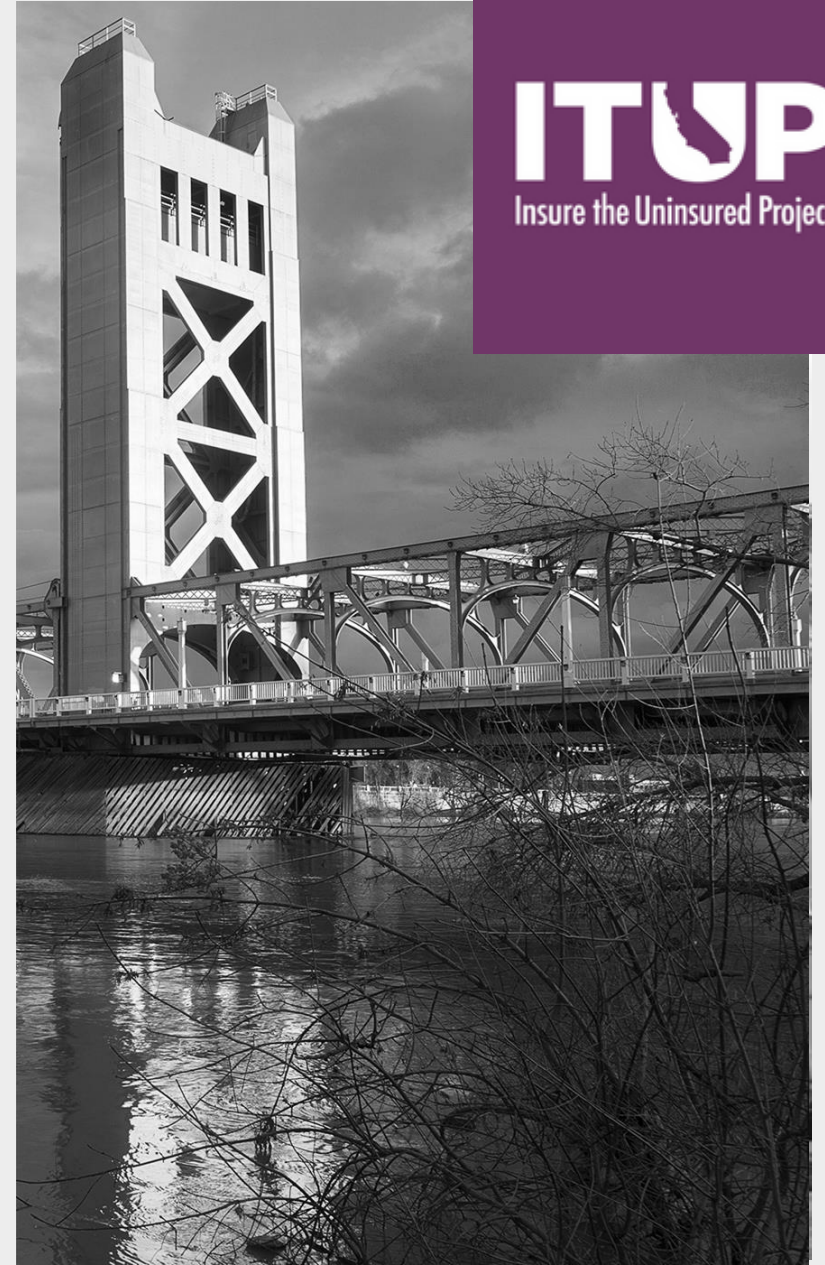
- Familiarize yourself with the January 10, May Revision, and stakeholder proposals
- Meet with staff and/or send in letters of support/opposition

Engaging After May Revision



- After the May Revision Release
 - Meet with Legislative, LAO, Agency, Department, and DOF staff, and elected officials, as needed. (**NOTE:** They will be busy!)
 - Write support or opposition letters to Members and the Governor and cc staff
 - Social media
 - Op-Eds

California State Budget: Key Definitions



Budget Overview: Key Definitions on State Funding



State Budget: The state budget total is generated from both state funds (including General Funds, Special Funds, and State Bond Funds) and the rest of the budget comes from the Federal Government (over 40% of the state budget).

General Fund: The state funding account where funds are not designated for a specific purpose. These funds support health, education, human services, state justice system, and more. Approximately 50 percent of these General Funds go to fund the education system under the "Proposition 98 Guarantee".

Federal Funds: Funds received from the federal government are used to pay for state programs.

Special Funds: California has over 500 special fund accounts that are made up of money from taxes, fees, and licenses and are designated for a specific purpose.

Bond Funds: Consists of state bond proceeds.

Budget Overview: Key Definitions



“A” Pages: Summary level information included on the Department of Finance (DOF) official Governor’s Budget website. These are updated at the January budget release, the May Revision, and upon the signing of the Final Budget Act.

Budget Act: Budget Bill after it has been signed into law by the Governor.

Budget Bill: A list of appropriations for the fiscal year, by department, fund source, and type.

Budget Change Proposals: A document from a state agency that proposes and justifies budget changes to existing levels of service and is used in preparing the Governor’s budget proposal.

Budget Proposal: The Governor’s proposed budget to the Legislature is released in January of each year.

Budget Trailer Bill: A bill that accompanies the budget and makes statutory changes necessary to implement the Budget Act.

Budget Overview: Key Definitions



Conference Committee: Group of six Legislative members, three from each house, to consider and reconcile budget bill items that the two houses disagree upon.

Department of Finance (DOF): State department that serves as the Governor's fiscal policy advisor.

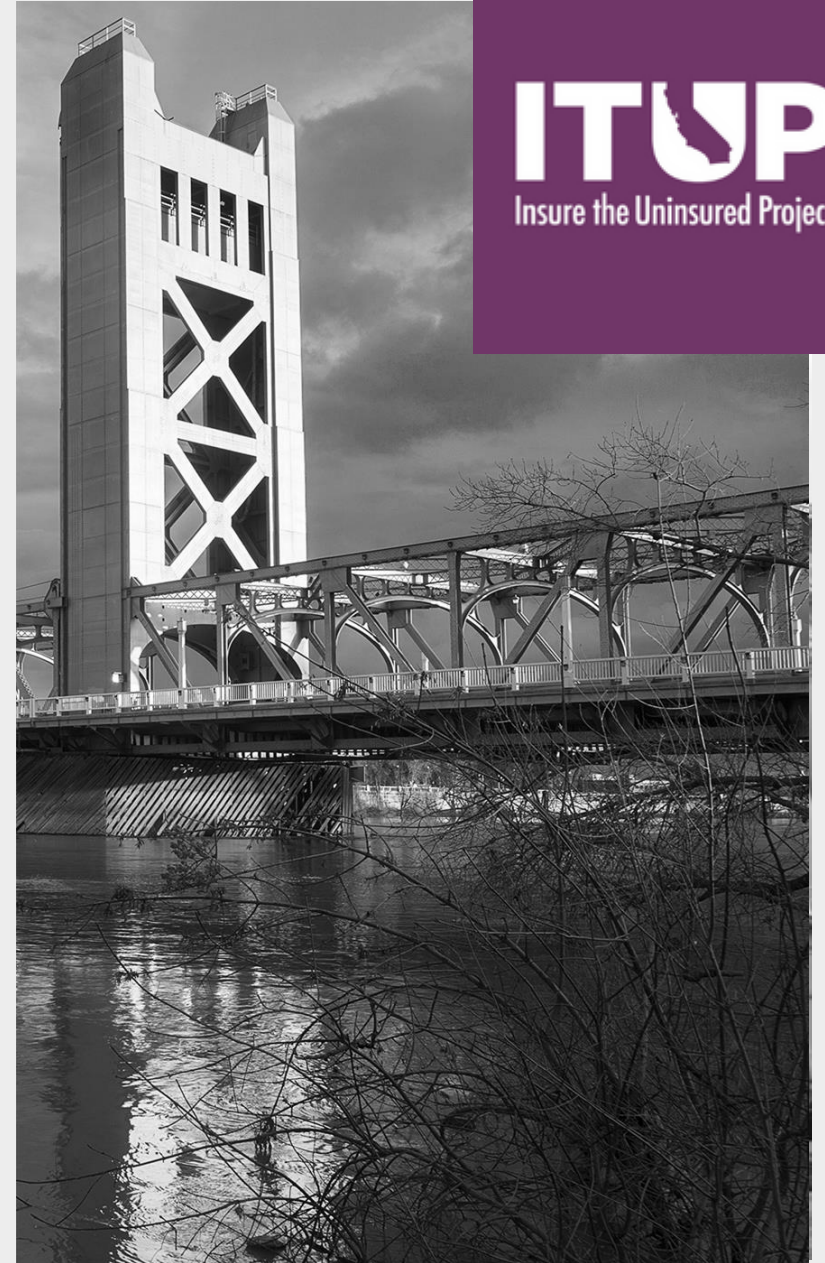
Legislative Analyst Office (LAO): Entity that provides fiscal and policy advice to the Legislature. The LAO produces analysis of the state budget each year.

May Revision: The updated estimate of revenues and expenditures that replaces the estimated contained in the Governor's proposed budget released in January. The May Revision is released in mid-May and is sometimes referred to as the May Revise.

Reserve: Amount of money set aside in a fund to provide for an unanticipated decline in revenue or an increase in expenditures.

Revenue: Government income from all sources, generally derived from taxes, licenses and fees, or investment earnings.

California Administrative Process 101



California Health and Human Services Agency (CalHHS)



Currently oversees:

- 12 Departments and 5 Offices

Services:

- Health Care
- Mental Health
- Public Health
- Substance Use Disorder Services
- Income Assistance
- Social Services
- Assistance for those Aging and Living with Disabilities



[CalHHS Website](https://www.calhhs.ca.gov/)

CalHHS Departments



- California Department of Aging
- California Child Support and Services
- California Department of Community Services and Development
- Department of Developmental Services
- California Emergency Medical Services Authority
- California's Department of Health Care Access and Information (HCAI)
- Department of Health Care Services (DHCS)
- Department of Managed Health Care (DMHC)
- California Department of Public Health (CDPH)
- Department of Rehabilitation
- California Department of Social Services
- Department of State Hospitals (DSH)

[CalHHS Website](#)

CalHHS Offices

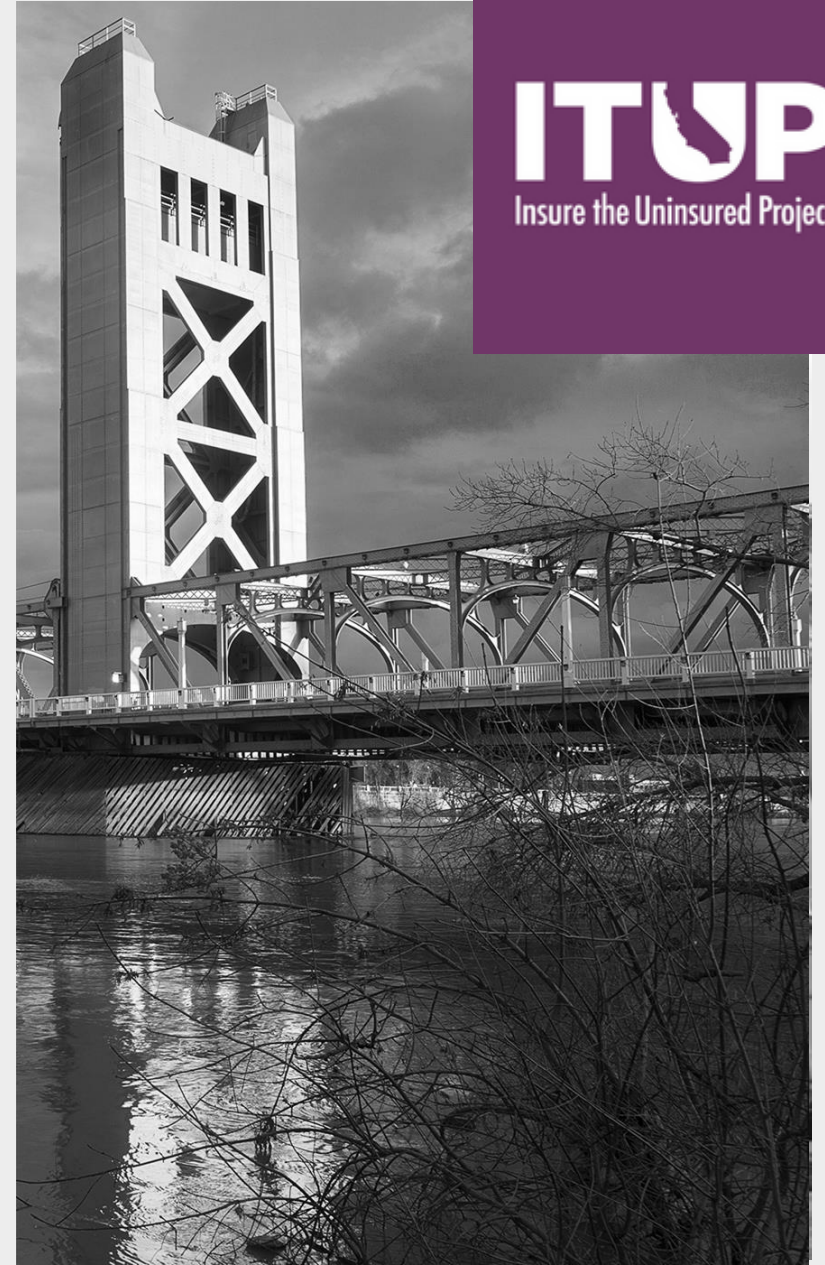
ITUP
Insure the Uninsured Project



**Office of Youth and
Community
Restoration (OYCR)**

[CalHHS Website](#)

California Administrative Engagement Strategy



Implementation: What Happens After Bill Becomes a Law?



- Legislative BCPs
- State Formalized Processes
 - Office of Administrative Law (OAL)
 - CA Code of Regulations
 - Formal public comment opportunities
- Informal processes (Ad Hoc)
 - All county, All plan, All program letters
- Federal Process
 - Federal Waivers
 - 30-Day public comment period
- Engage Frequently with Relevant Staff

Implementation & Regulation: What Happens After Bill Becomes a Law?



Standing CalHHS Stakeholder Engagement Committees

- [Alzheimer's and Related Disorders Advisory Committee](#)
- [California Elder & Disability Justice Coordinating Council](#)
- [Disability and Aging Community Living Advisory Committee](#)
- [Data Exchange Framework](#)
- [Healthy California for All Commission](#)

Time-Limited Stakeholder Engagement Committees

- Typically, Department-Specific

Effective Tools and Strategies for Engaging with the Government

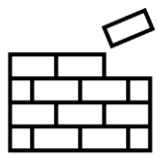
Coalition
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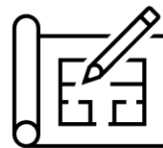
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