

**CITY OF OAKLAND**  
**BILL ANALYSIS**



Date: July 19, 2011 PM 5:17

Bill Number: SB 15

Bill Author: Senators DeSaulnier and Wolk

**DEPARTMENT INFORMATION**

Contact: Shereda Nosakhare, District 4  
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[snosakhare@oaklandnet.com](mailto:snosakhare@oaklandnet.com)

**RECOMMENDED POSITION: SUPPORT**

**Summary of the Bill**

Requires the annual submission of a two-year budget and makes various changes to the information that is required to be submitted by the Governor to the Legislature as part of the budget process. Specifically, this bill:

- 1) Requires the Governor to submit, on or before January 10<sup>th</sup> of each year, a budget proposal for both the budget year and the succeeding fiscal year. If expenditures are expected to exceed revenues for either or both fiscal years, the Governor is required to offer proposals to balance the budget for either or both years. Budgets for both years would be updated at the **May Revision**.
- 2) Requires that any time the budget proposes to create or expand the scope of an existing state program that would result in net state costs or reduce a state tax that would result in a decrease in revenue, that the budget include a statement identifying the state program and/or source of additional state revenue that is equal or greater than the net increase in state costs or net decrease in state revenues.
- 3) Requires the Governor's budget to provide estimates for anticipated revenues and expenditures for the three fiscal years succeeding the budget year when the budget is submitted on or before January 10<sup>th</sup>.
- 4) Stipulates that the Governor submit legislative language needed to implement budget provisions and the five-year infrastructure plan when the budget is submitted on or before January 10<sup>th</sup>.
- 5) Requires an estimate of the long-run impact of expenditure and revenue proposals on the economy of California.

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- 6) Requires, commencing in 2015 or upon appropriation, the Department of Finance to provide the Legislature with an update of the five-year projections of state revenues and expenditures on or before October 15<sup>th</sup>.

**Positive Factors for Oakland**

State budgeting has been an annual event with limited attention assigned to understanding and planning for the long-term needs of the state. The Governor's proposed budget focuses on the incremental growth of programs, and budgets are based on adjustments to the level of funding by program or agency in the prior year, rather than how the spending plan can invest in California's future and use budget expenditures to improve program performance.

SB 15 and the creation of a bi-annual budget process would allow Oakland to project State funding appreciations for more than fiscal year.

**Negative Factors for Oakland**

There are no known negative factors.

**PLEASE RATE THE EFFECT OF THIS MEASURE ON THE CITY OF OAKLAND:**

- Critical (top priority for City lobbyist, city position required ASAP)
- Very Important (priority for City lobbyist, city position necessary)
- Somewhat Important (City position desirable if time and resources are available)
- Minimal or  None (do not review with City Council, position not required)

**Known support:**

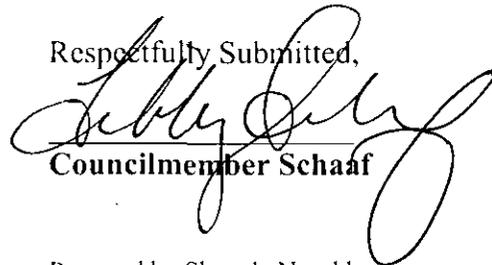
California Forward (co-source)  
AARP  
American Association of University Women  
American Federation of State, County and Municipal Employees  
Bay Area Council  
Brocade Communications Systems, Inc.  
Business Council of San Joaquin County  
California Alliance of Child and Family Services  
California Church IMPACT  
California Partnership for the San Joaquin Valley  
California Senior Advocates League  
California State Student Association

Contra Costa Council  
Fresno Business Council  
Greenlining Institute  
Half Moon Bay Coastside Chamber of Commerce  
Huntington Beach Chamber of Commerce  
Kern County Taxpayers Association  
Los Angeles Area Chamber of Commerce  
Marin Builders' Association  
MoSys Inc.  
Proofpoint Systems Inc.  
San Francisco Chamber of Commerce  
San Gabriel Valley Economic Partnership  
San Mateo County Economic Development Association  
Santa Clara and San Benito Counties Building and Construction Trades Council  
Santa Cruz County Medical Society  
Saving California Communities  
State Building and Construction Trades Council of California  
State Controller John Chiang  
Silicon Valley Leadership Group  
Valley Industry and Commerce Association  
WELL Network

**Known Opposition:**

**None**

Respectfully Submitted,



Councilmember Schaaf

Prepared by Shereda Nosakhare

Approved for Forwarding to  
Rules Committee

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Office of City Administrator

Item: \_\_\_\_\_  
ORA/ City Council  
July 26, 2011

AMENDED IN SENATE MAY 19, 2011

AMENDED IN SENATE APRIL 25, 2011

**SENATE BILL**

**No. 15**

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Introduced by Senators DeSaulnier and Wolk

*(Principal coauthor: Senator Rubio)*

*(Principal-coauthor coauthors: Assembly Member Assembly Members  
Bonilla and Huffman)*

*(Coauthors: Assembly Members Buchanan and Gordon)*

December 6, 2010

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An act to amend Sections ~~13308 and 13337~~ of *Section 13308 of, and to amend, repeal, and add Section 13337 of*, the Government Code, relating to the state budget.

LEGISLATIVE COUNSEL'S DIGEST

SB 15, as amended, DeSaulnier. State budget.

Existing law requires the Governor to submit to the Legislature, within the first 10 days of each calendar year, a budget for the ensuing fiscal year. Under existing law, the budget is required to contain a complete plan and itemized statements of all proposed expenditures and all estimated revenues of the state for the ensuing fiscal year, together with a comparison with the actual revenues and expenditures for the last completed fiscal year, the estimated revenues and expenditures for the existing fiscal year, and the budgeted revenues and expenditures for the next fiscal year. Existing law further requires the Director of Finance to provide to the Legislature, on or before May 14 of each year, an estimate of General Fund revenues for the current fiscal year and the ensuing fiscal year, any proposals to reduce expenditures to reflect updated revenue estimates, and specified proposed adjustments to the Governor's Budget.

This bill would instead require the budget submitted by the Governor to contain itemized statements, provisional language, performance measurement standards for state agencies and programs, recommended state expenditures, and a projection of anticipated state revenues, including revenues anticipated to be one-time revenues. In addition, the bill would require the budget to contain an estimate of the total resources available for the state expenditures recommended for the budget year and the succeeding fiscal year, and would further require the budget to contain a projection of anticipated state expenditures and anticipated state revenues for the 3 fiscal years following the fiscal year succeeding the budget year, along with budget-related plans and proposals for those 3 fiscal years. In the event recommended expenditures exceed estimated revenues, the Governor would be required to recommend reductions in expenditures or the sources from which the additional revenues should be provided and to include an estimate of the long-term impact that the expenditure reductions or additional revenues will have on the state economy. The Governor would also be required to submit with the budget any legislation necessary to implement appropriations contained in the budget, together with a 5-year capital infrastructure and strategic growth plan. If the Governor's Budget proposes to create a new state program or agency, or to expand the scope of an existing state program or agency, resulting in a net increase in state costs during the budget year or the succeeding fiscal year, or proposes to reduce a state tax resulting in a net decrease in state revenue in the budget year or the succeeding fiscal year, the proposal would be required to be accompanied by a statement identifying state program reductions or sources of additional state revenue in an amount that is equal to or greater than the net increase in state costs or net decrease in state revenue. The bill would also require the Director of Finance to provide to the Legislature, on or before October 15 of each year, updated projections of state revenues and state expenditures for the current fiscal year and for the ensuing fiscal year.

*This bill would require the implementation of these provisions commencing in the year 2015, or in an earlier year when it is possible to do so and funding is provided therefor in the annual Budget Act.*

The bill would also state the intent of the Legislature to establish an oversight process for evaluating and improving the performance of all state programs and to establish a schedule of review for all state programs, whether managed by a state or local agency.

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. Section 13308 of the Government Code is  
2 amended to read:

3 13308. (a) The Director of Finance shall provide to the  
4 Legislature, on or before February 1 of each year, all proposed  
5 statutory changes, as prepared by the Legislative Counsel, that are  
6 necessary to implement the Governor's Budget, as described in  
7 subdivision (a) of Section 13337.

8 (b) The Director of Finance shall provide to the Legislature, on  
9 or before April 1 of each year, all proposed adjustments to the  
10 Governor's Budget except as specified by subdivisions (c) and  
11 (d).

12 (c) The Director of Finance shall provide to the Legislature, on  
13 or before May 1 of each year, all proposed adjustments to the  
14 Governor's Budget in appropriations for capital outlay.

15 (d) The Director of Finance shall provide to the Legislature, on  
16 or before May 14 of each year, all of the following:

17 (1) An estimate of General Fund revenues for the current fiscal  
18 year and for the ensuing fiscal year.

19 (2) Any proposals to reduce expenditures to reflect updated  
20 revenue estimates.

21 (3) All proposed adjustments to the Governor's Budget that are  
22 necessary to reflect updated estimates of state funding required  
23 pursuant to Section 8 of Article XVI of the California Constitution,  
24 or to reflect caseload enrollment or population changes.

25 ~~The~~ *Commencing in the year 2015, or in any earlier year*  
26 *when it is possible to do so and funding is provided therefor in the*  
27 *annual Budget Act, the* Director of Finance shall provide to the  
28 Legislature, on or before October 15 of each year, updated  
29 projections of state revenues and state expenditures for the current  
30 fiscal year and for the ensuing fiscal year.

31 (f) The Director of Finance may authorize suspension for the  
32 current fiscal year of any provision of this section not sooner than  
33 30 days after notification in writing of the necessity therefor to the  
34 chairperson of the committee in each house that considers the State

1 Budget and the Chairperson of the Joint Legislative Budget  
2 Committee.

3 ~~SEC. 2. Section 13337 of the Government Code is amended~~  
4 ~~to read:~~

5 ~~13337. (a) Within the first 10 days of each calendar year, the~~  
6 ~~Governor shall submit to the Legislature a budget for both the~~  
7 ~~ensuing fiscal year, known as the budget year, and for the~~  
8 ~~succeeding fiscal year. The budget shall contain itemized~~  
9 ~~statements, provisional language, performance measurement~~  
10 ~~standards for state agencies and programs, recommended state~~  
11 ~~expenditures, and a projection of anticipated state revenues,~~  
12 ~~including revenues anticipated to be one-time revenue. The budget~~  
13 ~~shall also contain an estimate of the total resources available for~~  
14 ~~the state expenditures recommended for the budget year and the~~  
15 ~~succeeding fiscal year. The budget shall also contain a projection~~  
16 ~~of anticipated state expenditures and anticipated state revenues for~~  
17 ~~the three fiscal years following the fiscal year succeeding the~~  
18 ~~budget year, and budget-related plans and proposals for those three~~  
19 ~~fiscal years. If, for the budget year and the succeeding fiscal year,~~  
20 ~~the recommended expenditures exceed estimated revenues, the~~  
21 ~~Governor shall recommend reductions in expenditures or the~~  
22 ~~sources from which the additional revenues should be provided,~~  
23 ~~or both. The recommendations shall include an estimate of the~~  
24 ~~long-term impact that expenditure reductions or additional revenues~~  
25 ~~will have on the economy of California. Together with the budget,~~  
26 ~~the Governor shall submit to the Legislature any legislation~~  
27 ~~necessary to implement appropriations contained in the budget,~~  
28 ~~accompanied by a five-year capital infrastructure and strategic~~  
29 ~~growth plan.~~

30 ~~(b) The budget shall, in accordance with Chapter 2 (commencing~~  
31 ~~with Section 41200) of Part 24 of Division 3 of Title 2 of the~~  
32 ~~Education Code, include a section that specifies the percentages~~  
33 ~~and amounts of General Fund revenues that must be set aside and~~  
34 ~~applied for the support of school districts, as defined in Section~~  
35 ~~41302.5 of the Education Code, and community college districts,~~  
36 ~~as required by subdivision (b) of Section 8 of Article XVI of the~~  
37 ~~California Constitution.~~

38 ~~(c) If the Governor's Budget proposes to create a new state~~  
39 ~~program or agency, or to expand the scope of an existing state~~  
40 ~~program or agency, which would result in a net increase in state~~

1 ~~costs during the budget year or the succeeding fiscal year, or~~  
2 ~~proposes to reduce a state tax, which would result in a net decrease~~  
3 ~~in state revenue in the budget year or the succeeding fiscal year;~~  
4 ~~the proposal shall be accompanied by a statement identifying state~~  
5 ~~program reductions or sources of additional state revenue, or both;~~  
6 ~~in an amount that is equal to or greater than the net increase in~~  
7 ~~state costs or net decrease in state revenue.~~

8 ~~(d) The Governor, or the Department of Finance acting on his~~  
9 ~~or her behalf, shall make appropriate changes in the budget request~~  
10 ~~to reflect any modification in the organization or functions of state~~  
11 ~~government proposed under Article 7.5 (commencing with Section~~  
12 ~~12080) of Chapter 1 of Part 2 prior to the passage of the budget.~~

13 ~~(e) The Governor's Budget shall be prepared in accordance with~~  
14 ~~guidelines and instructions adopted by the Department of Finance.~~

15 ~~(f) In order to provide meaningful comparisons, the Governor's~~  
16 ~~Budget shall be prepared in such a manner that the information~~  
17 ~~presented provides for such comparisons between the fiscal years.~~

18 ~~(g) The Department of Finance shall submit to the committee~~  
19 ~~in each house that considers appropriations and to the Joint~~  
20 ~~Legislative Budget Committee copies of budget material submitted~~  
21 ~~to it by agencies pursuant to the provisions of Article 2~~  
22 ~~(commencing with Section 13320).~~

23 ~~(h) The Governor's Budget shall also include a coding structure~~  
24 ~~which indicates for each budget entry the categorization of~~  
25 ~~expenditures and revenues.~~

26 ~~(i) Prior to the submission of the Governor's Budget to the~~  
27 ~~Legislature, the Department of Finance may conduct public~~  
28 ~~hearings regarding any portion of any budget.~~

29 ~~(j) The Governor, or the Department of Finance acting on his~~  
30 ~~or her behalf, shall, at the same time the Governor's Budget is~~  
31 ~~submitted to the Legislature, submit to the Legislature copies of~~  
32 ~~the material for the purposes of subdivision (k).~~

33 ~~(k) The Department of Finance shall develop a fiscal information~~  
34 ~~system which will provide timely and uniform fiscal data needed~~  
35 ~~to formulate and monitor the budget, including, but not limited to,~~  
36 ~~on-line inquiry capacity and the ability to simulate budget~~  
37 ~~expenditures and forecast revenues. This system may include,~~  
38 ~~among other things, data on encumbrances and expenditures by~~  
39 ~~line item, governmental unit, and fund source. The system shall~~  
40 ~~also include expenditures and encumbrances by program, as~~

~~1 required. This system shall also include a coding structure which  
2 indicates the categorization of expenditures and revenues. This  
3 system and the data shall be available to both the legislative and  
4 executive branches. The system may contain separate programs  
5 accessible by only one branch, designed to provide for distinct  
6 application of the data, but the basic system data shall be available  
7 on an equal basis to both the legislative and executive branches of  
8 government.~~

9 *SEC. 2. Section 13337 of the Government Code is amended to  
10 read:*

11 13337. (a) (1) The budget required by the State Constitution  
12 to be submitted by the Governor at each regular session of the  
13 Legislature shall be submitted within the first 10 days thereof and  
14 shall contain a complete plan and itemized statement of all  
15 proposed expenditures of the state provided by existing law or  
16 recommended by him or her, and all of its institutions, departments,  
17 boards, bureaus, commissions, officers, employees, and other  
18 agencies, and of all estimated revenues, for the *ensuing* fiscal year,  
19 together with a comparison, as to each item of revenues and  
20 expenditures, with the actual revenues and expenditures for the  
21 last completed fiscal year, the estimated revenues, and expenditures  
22 for the existing fiscal year and the budgeted revenue and  
23 expenditures for the next fiscal year.

24 (2) *As soon as possible, if funding is provided therefor in the  
25 annual Budget Act, in lieu of compliance with this subdivision, the  
26 Governor shall comply with subdivision (a) of Section 13337 as  
27 added by Section 3 of SB 15 of the 2011–12 Regular Session.*

28 (b) The budget shall, in accordance with Chapter 2 (commencing  
29 with Section 41200) of Part 24 of Division 3 of Title 2 of the  
30 Education Code, include a section that specifies the percentages  
31 and amounts of General Fund revenues that must be set aside and  
32 applied for the support of school districts, as defined in Section  
33 41302.5 of the Education Code, and community college districts,  
34 as required by subdivision (b) of Section 8 of Article XVI of the  
35 California Constitution.

36 (c) *If the Governor's Budget proposes to create a new state  
37 program or agency, or to expand the scope of an existing state  
38 program or agency, which would result in a net increase in state  
39 costs during the budget year or the succeeding fiscal year, or  
40 proposes to reduce a state tax, which would result in a net decrease*

1 *in state revenue in the budget year or the succeeding fiscal year;*  
2 *commencing with the first year for which compliance with this*  
3 *subdivision is feasible and if funding is provided for this purpose*  
4 *in the annual Budget Act, the proposal shall be accompanied by*  
5 *a statement identifying state program reductions or sources of*  
6 *additional state revenue, or both, in an amount that is equal to or*  
7 *greater than the net increase in state costs or net decrease in state*  
8 *revenue.*

9 ~~(e)~~

10 *(d)* The Governor, or the Department of Finance acting on his  
11 or her behalf shall make appropriate changes in the budget request  
12 to reflect any modification in the organization or functions of state  
13 government proposed under Article 7.5 (commencing with Section  
14 12080) of Chapter 1 of Part 2 prior to the passage of the budget.

15 ~~(d)~~

16 *(e)* The Governor's Budget shall be prepared in accordance with  
17 guidelines and instructions adopted by the Department of Finance.

18 ~~(e)~~

19 *(f)* In order to provide meaningful comparisons, the Governor's  
20 Budget shall be prepared in such a manner that the information  
21 presented provides for such comparisons between the fiscal years.

22 ~~(f)~~

23 *(g)* The Department of Finance shall submit to the committee  
24 in each house ~~which~~ *that* considers appropriations and to the Joint  
25 Legislative Budget Committee copies of budget material submitted  
26 to it by agencies pursuant to the provisions of Article 2  
27 (commencing with Section 13320).

28 ~~(g)~~

29 *(h)* The Governor's Budget shall also include a coding structure  
30 which indicates for each budget entity the categorization of  
31 expenditures and revenues.

32 ~~(h)~~

33 *(i)* Prior to the submission of the Governor's Budget to the  
34 Legislature, the Department of Finance may conduct public  
35 hearings regarding any portion of any budget.

36 ~~(i)~~

37 *(j)* The Governor, or the Department of Finance acting on his  
38 or her behalf, shall, at the same time the Governor's Budget is  
39 submitted to the Legislature, submit to the Legislature copies of  
40 the material for the purposes of subdivision ~~(j)~~ *(k)*.

1     ⊕

2     (k) The Department of Finance shall develop a fiscal information  
3 system which will provide timely and uniform fiscal data needed  
4 to formulate and monitor the budget, including, but not limited to,  
5 on-line inquiry capacity and the ability to simulate budget  
6 expenditures and forecast revenues. This system may include,  
7 among other things, data on encumbrances and expenditures by  
8 line item, governmental unit, and fund source. The system shall  
9 also include expenditures and encumbrances by program, as  
10 required. This system shall also include a coding structure which  
11 indicates the categorization of expenditures and revenues. This  
12 system and the data shall be available to both the legislative and  
13 executive branches. The system may contain separate programs  
14 accessible by only one branch, designed to provide for distinct  
15 application of the data, but the basic system data shall be available  
16 on an equal basis to both the legislative and executive branches of  
17 government.

18     (l) *This section shall be repealed on January 1, 2015.*

19     SEC. 3. *Section 13337 is added to the Government Code, to*  
20 *read:*

21     13337. (a) *Within the first 10 days of each calendar year, the*  
22 *Governor shall submit to the Legislature a budget for both the*  
23 *ensuing fiscal year, known as the budget year and for the*  
24 *succeeding fiscal year. The budget shall contain itemized*  
25 *statements, provisional language, performance measurement*  
26 *standards for state agencies and programs, recommended state*  
27 *expenditures, and a projection of anticipated state revenues,*  
28 *including revenues anticipated to be one-time revenue. The budget*  
29 *shall also contain an estimate of the total resources available for*  
30 *the state expenditures recommended for the budget year and the*  
31 *succeeding fiscal year. The budget shall also contain a projection*  
32 *of anticipated state expenditures and anticipated state revenues*  
33 *for the three fiscal years following the fiscal year succeeding the*  
34 *budget year; and budget-related plans and proposals for those*  
35 *three fiscal years. If, for the budget year and the succeeding fiscal*  
36 *year, the recommended expenditures exceed estimated revenues,*  
37 *the Governor shall recommend reductions in expenditures or the*  
38 *sources from which the additional revenues should be provided,*  
39 *or both. The recommendations shall include an estimate of the*  
40 *long-term impact that expenditure reductions or additional*

1 revenues will have on the economy of California. Together with  
2 the budget, the Governor shall submit to the Legislature any  
3 legislation necessary to implement appropriations contained in  
4 the budget, accompanied by a five-year capital infrastructure and  
5 strategic growth plan.

6 (b) The budget shall, in accordance with Chapter 2 (commencing  
7 with Section 41200) of Part 24 of Division 3 of Title 2 of the  
8 Education Code, include a section that specifies the percentages  
9 and amounts of General Fund revenues that must be set aside and  
10 applied for the support of school districts, as defined in Section  
11 41302.5 of the Education Code, and community college districts,  
12 as required by subdivision (b) of Section 8 of Article XVI of the  
13 California Constitution.

14 (c) If the Governor's Budget proposes to create a new state  
15 program or agency, or to expand the scope of an existing state  
16 program or agency, which would result in a net increase in state  
17 costs during the budget year or the succeeding fiscal year or  
18 proposes to reduce a state tax, which would result in a net decrease  
19 in state revenue in the budget year or the succeeding fiscal year,  
20 the proposal shall be accompanied by a statement identifying state  
21 program reductions or sources of additional state revenue, or  
22 both, in an amount that is equal to or greater than the net increase  
23 in state costs or net decrease in state revenue.

24 (d) The Governor, or the Department of Finance acting on his  
25 or her behalf, shall make appropriate changes in the budget request  
26 to reflect any modification in the organization or functions of state  
27 government proposed under Article 7.5 (commencing with Section  
28 12080) of Chapter 1 of Part 2 prior to the passage of the budget.

29 (e) The Governor's Budget shall be prepared in accordance  
30 with guidelines and instructions adopted by the Department of  
31 Finance.

32 (f) In order to provide meaningful comparisons, the Governor's  
33 Budget shall be prepared in such a manner that the information  
34 presented provides for such comparisons between the fiscal years.

35 (g) The Department of Finance shall submit to the committee  
36 in each house that considers appropriations and to the Joint  
37 Legislative Budget Committee copies of budget material submitted  
38 to it by agencies pursuant to the provisions of Article 2  
39 (commencing with Section 13320).

1 (h) The Governor's Budget shall also include a coding structure  
2 which indicates for each budget entity the categorization of  
3 expenditures and revenues.

4 (i) Prior to the submission of the Governor's Budget to the  
5 Legislature, the Department of Finance may conduct public  
6 hearings regarding any portion of any budget.

7 (j) The Governor or the Department of Finance acting on his  
8 or her behalf, shall, at the same time the Governor's Budget is  
9 submitted to the Legislature, submit to the Legislature copies of  
10 the material for the purposes of subdivision (k).

11 (k) The Department of Finance shall develop a fiscal information  
12 system which will provide timely and uniform fiscal data needed  
13 to formulate and monitor the budget, including, but not limited to,  
14 on-line inquiry capacity and the ability to simulate budget  
15 expenditures and forecast revenues. This system may include,  
16 among other things, data on encumbrances and expenditures by  
17 line item, governmental unit, and fund source. The system shall  
18 also include expenditures and encumbrances by program, as  
19 required. This system shall also include a coding structure which  
20 indicates the categorization of expenditures and revenues. This  
21 system and the data shall be available to both the legislative and  
22 executive branches. The system may contain separate programs  
23 accessible by only one branch, designed to provide for distinct  
24 application of the data, but the basic system data shall be available  
25 on an equal basis to both the legislative and executive branches  
26 of government.

27 (l) This section shall become operative on January 1, 2015.

28 ~~SEC. 3.~~

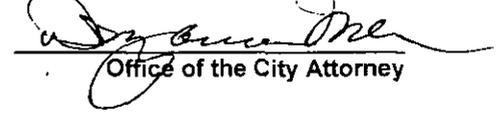
29 SEC. 4. It is the intent of the Legislature to establish an  
30 oversight process for evaluating and improving the performance  
31 of all programs undertaken by the state, or by local entities on  
32 behalf of the state, based on performance standards established  
33 pursuant to statute. In furtherance of that oversight process, it is  
34 the intent of the Legislature to establish, within one year of the  
35 effective date of this act, a schedule of review for all state  
36 programs, whether managed by a state or local agency. The review  
37 schedule shall be designed so that the relationship between similar  
38 state programs may be examined.

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OFFICE OF THE CITY CLERK  
OAKLAND

2011 JUL 21 PM 5:17

Approved as to Form and Legality:

  
Office of the City Attorney

## Oakland City Council

RESOLUTION No. \_\_\_\_\_ C.M.S.

### Introduced by Councilmember Libby Schaaf

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**RESOLUTION IN SUPPORT OF SENATE BILL 15 (WOLK AND DESAULNIER) WHICH REQUIRES THE ANNUAL SUBMISSION OF A TWO-YEAR BUDGET AND MAKES VARIOUS CHANGES TO THE INFORMATION THAT IS REQUIRED TO BE SUBMITTED BY THE GOVERNOR TO THE LEGISLATURE AS PART OF THE BUDGET PROCESS**

**WHEREAS**, existing law, Article IV, Section 12 of California's Constitution requires the Governor to submit a balanced budget to the Legislature by January 10<sup>th</sup> of each year; and

**WHEREAS**, Government Code Section 13308 requires the submission of the budget trailer bill language by February 1<sup>st</sup> of each year; and

**WHEREAS**, SB 15 would require the Governor to submit on or before January 10<sup>th</sup> of each year a budget proposal for both the budget year and the succeeding fiscal year; and

**WHEREAS**, SB 15 would require if expenditures are expected to exceed revenues for either or both fiscal years, the Governor is required to offer proposals to balance the budget for either or both years; and

**WHEREAS**, SB 15 would require budgets for both years to be updated at the May Revision; and

**WHEREAS**, SB 15 would require that any time the budget proposes to create or expand the scope of an existing state program that would result in net state costs or reduce a state tax that would result in a decrease in revenue, that the budget include a statement identifying the state program and/or source of additional state revenue that is equal or greater than the net increase in state costs or net decrease in state revenues; and

**WHEREAS**, SB 15 would require the Governor's budget to provide estimates for anticipated revenues and expenditures for the three fiscal years succeeding the budget year when the budget is submitted on or before January 10th; and

**WHEREAS**, SB 15 would require that the Governor submit legislative language needed to implement budget provisions and the five-year Infrastructure plan when the budget is submitted on or before January 10th; and

**WHEREAS**, SB 15 would require an estimate of the long-run impact of expenditure and revenue proposal on the economy of California; and

**WHEREAS**, SB 15 would require commencing in 2015 or upon appropriation, the Department of Finance to provide the Legislature with an update of the five-year projections of state revenues and expenditures on or before October 15<sup>th</sup>; now therefore, be it

**RESOLVED**: That the Oakland City Council hereby provides that it supports Senate Bill 15 and authorizes the City Administrator to communicate to the California State Legislature the City Council's support of the Bill.

**IN COUNCIL, OAKLAND, CALIFORNIA,**

**PASSED BY THE FOLLOWING VOTE:**

**AYES -** BROOKS, BRUNNER, DE LA FUENTE, KAPLAN, KERNIGHAN, NADEL,  
SCHAAF, AND PRESIDENT REID

**NOES -**

**ABSENT -**

**ABSTENTION -**

**ATTEST:**

\_\_\_\_\_  
**LATONDA SIMMONS**  
City Clerk and Clerk of the Council of  
the City of Oakland, California