

ASSEMBLY BILL

No. 1887

Introduced by Assembly Member Portantino

February 22, 2012

An act to amend Sections 9126, 9127, 9129, and 9133 of the Government Code, relating to the Legislature.

LEGISLATIVE COUNSEL'S DIGEST

AB 1887, as introduced, Portantino. Legislative funds.

(1) Existing law requires all appropriations for contingent expenses of the Senate and Assembly to be deposited into the Senate Operating Fund and the Assembly Operating Fund, respectively. Existing law states that appropriations deposited in and credited to those operating funds are continuously available without regard to fiscal years, except that appropriations made at extraordinary sessions for the expenses of those sessions shall be maintained as special accounts within the particular funds and shall be available for expenditure for the expenses of the sessions for a period of one year after the date upon which the appropriation first becomes available for expenditure.

This bill would, instead, provide that an appropriation deposited in and credited to the operating funds be available for expenditure for the expenses of the Senate or Assembly for a period of one year after the date upon which the appropriation first becomes available for expenditure, and that any unexpended balance of the appropriation be transferred to the General Fund following the last day of the period of its availability. The bill would state that the moneys so transferred to the General Fund, upon appropriation by the Legislature, shall be appropriated to the Student Aid Commission for expenditure in connection with administering the Cal Grant program.

This bill would also state that moneys in the operating funds shall be expended for a legislative purpose of the house, and shall not be transferred to a state agency, unless the expenditure or transfer is expressly authorized by statute.

(2) Existing law requires the Joint Rules Committee annually to contract for an independent audit or audits of all funds and entities of the Legislature, as specified. Existing law requires these audits to be completed, and reports thereon made to the respective houses of the Legislature, and to the public, by November 30 of each year for the previous fiscal year ending June 30.

This bill would require the Controller to conduct these independent audits for each of the 2012–13 and 2013–14 fiscal years. For the 2014–15 fiscal year and each fiscal year thereafter, the Joint Rules Committee would be required to contract for the independent audits, to be conducted in accordance with guidelines established by the Controller.

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 9126 of the Government Code is amended
2 to read:
3 9126. Unless specifically exempted from this section, all
4 appropriations for contingent expenses of the Senate and legislative
5 committees thereof, including appropriations previously made
6 ~~which~~ *that* have not reverted to the General Fund, shall be
7 deposited in and credited to the Senate ~~Contingent Operating~~ Fund,
8 ~~which fund~~ is created in the State Treasury. ~~The money moneys~~
9 in the fund shall be available for the expenses of the Senate and
10 legislative committees thereof, *subject to the restrictions specified*
11 *in Section 9129*, and shall be disbursed under or pursuant to the
12 direction of the Senate as provided in the rules, orders, and
13 resolutions of the Senate, or as provided by the Senate Committee
14 on Rules (which committee has a continuing existence during
15 sessions and between sessions with such powers, duties, and
16 responsibilities as the Senate from time to time shall prescribe) as
17 and when ~~thereunto~~ authorized by the Senate. ~~The money moneys~~
18 in the fund shall be disbursed pursuant to, and the powers, duties,
19 and responsibilities of the Senate Committee on Rules shall be as

1 provided by, the rules, orders, and resolutions adopted by the
2 Senate at the 1949 Regular Session until modified or superseded
3 by Senate action at a subsequent session. *The moneys in the fund*
4 *shall be expended only for legislative purposes of the Senate, and*
5 *shall not be transferred to any state agency, unless the expenditure*
6 *or transfer is expressly authorized by statute.*

7 SEC. 2. Section 9127 of the Government Code is amended to
8 read:

9 9127. Unless specifically exempted from this section, all
10 appropriations for contingent expenses of the Assembly and
11 legislative committees thereof, including appropriations previously
12 made ~~which~~ *that* have not reverted to the General Fund, shall be
13 deposited in and credited to the Assembly ~~Contingent Operating~~
14 Fund, which ~~fund~~ is created in the State Treasury. The ~~money~~
15 *moneys* in the fund shall be available for the expenses of the
16 Assembly and legislative committees thereof, *subject to the*
17 *restrictions specified in Section 9129*, and shall be disbursed under
18 or pursuant to the direction of the Assembly as provided in the
19 rules, orders, and resolutions of the Assembly, or as provided by
20 the Assembly ~~Rules~~ Committee *on Rules* (which committee has a
21 continuing existence during sessions and between sessions with
22 such powers, duties, and responsibilities as the Assembly from
23 time to time shall prescribe) as and when ~~thereunto~~ authorized by
24 the Assembly. The ~~money~~ *moneys* in the fund shall be disbursed,
25 pursuant to, and the powers, duties, and responsibilities of the
26 Assembly ~~Rules~~ Committee *on Rules* shall be as provided by, the
27 rules, orders, and resolutions adopted by the Assembly at the 1949
28 Regular Session until modified or superseded by Assembly action
29 at a subsequent session. *The moneys in the fund shall be expended*
30 *only for legislative purposes of the Assembly, and shall not be*
31 *transferred to any state agency, unless the expenditure or transfer*
32 *is expressly authorized by statute.*

33 SEC. 3. Section 9129 of the Government Code is amended to
34 read:

35 9129. ~~Appropriations~~ *Any appropriation* deposited in and
36 credited to the Senate ~~Contingent Operating~~ Fund or the Assembly
37 ~~Contingent Operating~~ Fund shall be ~~continuously~~ available ~~without~~
38 ~~regard to fiscal years, except that appropriations made at~~
39 ~~extraordinary or special sessions for expenditure~~ for the expenses
40 ~~of said sessions shall be maintained as special accounts within the~~

1 ~~particular funds and shall be available for expenditure for such~~
2 ~~purpose the Senate or the Assembly, respectively, pursuant to~~
3 ~~Sections 9126 and 9127, for a period of one year after the date~~
4 ~~upon which the appropriation first becomes available for~~
5 ~~expenditure, and the any unexpended balance of any such the~~
6 ~~appropriation shall revert to the fund from which the appropriation~~
7 ~~was made upon the expiration of one year be transferred to the~~
8 *General Fund* following the last day of the period of its availability.
9 *The moneys transferred to the General Fund pursuant to this*
10 *section shall, upon appropriation by the Legislature, be available*
11 *to the Student Aid Commission for expenditure in connection with*
12 *administering the Ortiz-Pacheco-Poochigian-Vasconcellos Cal*
13 *Grant Program in accordance with Chapter 1.7 (commencing with*
14 *Section 69430) of Part 42 of Division 5 of Title 3 of the Education*
15 *Code.*

16 SEC. 4. Section 9133 of the Government Code is amended to
17 read:

18 9133. (a) ~~The Joint Rules Committee~~ (1) *For each of the*
19 *2012–13 and 2013–14 fiscal years, the Controller shall annually*
20 ~~contract for~~ *conduct an independent audit or audits of all funds*
21 *and entities of the Legislature, including, but not limited to, the*
22 *expenditures of the Assembly Operating Fund, the Senate*
23 *Operating Fund, the Operating Funds of the Assembly and Senate,*
24 *expenditures for legislative printing, and General Fund*
25 *expenditures for reimbursement of Members of the Legislature*
26 *pursuant to Sections 8902 and 8903. These audits shall be made*
27 *in accordance with generally accepted auditing standards*
28 *established by the American Institute of Certified Public*
29 *Accountants.*

30 (2) *For the 2014–15 fiscal year and each fiscal year thereafter,*
31 *the Joint Rules Committee shall annually contract for an*
32 *independent audit or audits of all funds and entities of the*
33 *Legislature, including, but not limited to, the expenditures of the*
34 *Assembly Operating Fund, the Senate Operating Fund, the*
35 *Operating Funds of the Assembly and Senate, expenditures for*
36 *legislative printing, and General Fund expenditures for*
37 *reimbursement of Members of the Legislature pursuant to Sections*
38 *8902 and 8903. These audits shall be made in accordance with*
39 *generally accepted auditing standards established by the American*

1 *Institute of Certified Public Accountants, and guidelines established*
2 *by the Controller.*

3 (b) These audits shall each include, but need not be limited to,
4 an evaluation of:

5 (1) The expenditures in the following categories:

6 (A) Out-of-state travel and living expense reimbursement and
7 in-state travel and living expense reimbursement.

8 (B) Automotive expenses.

9 (C) Building utilities, maintenance, and rent.

10 (D) Telephone.

11 (E) Postage.

12 (F) Printing.

13 (G) Office supplies.

14 (H) Newsletters.

15 (I) Per diem for attendance at legislative sessions.

16 (J) Employee salaries and benefits.

17 (K) Employee travel and per diem.

18 (L) Equipment and furniture.

19 (M) Telegraph.

20 (N) Freight.

21 (O) Publications.

22 (P) Study contracts and any other contract not reported under
23 any other category.

24 (Q) Meals.

25 (R) Ceremonies and events.

26 (S) First-class air travel.

27 (T) Automotive repairs.

28 (U) Office alterations.

29 (V) All other expenditures.

30 (2) The accuracy of the annual fiscal year financial statements
31 of the rules committees.

32 (c) These independent audits shall be completed, and reports
33 thereon made to the respective houses of the Legislature, and to
34 the public, by November 30 of each year for the previous fiscal
35 year ending June 30.