

Government Code

Sections 13335-13340

13335. The department shall develop, issue, and implement consistent and adequate guidelines to be utilized by agencies required to submit budgets pursuant to the provisions of Article 2 (commencing with Section 13320). Such guidelines shall, among other things:

(a) Ensure budgets that are reflective of an agency's activities.

(b) Ensure that the budgets are reflective of the costs which are associated with their execution.

(c) Ensure that where a program budget format is used, budgetary presentation is designed to display expenditures based on various goals or objectives. A program budget defines objectives and relates the proposed level of expenditure to meet that objective in the given budget year. A major objective may be divided into elements designed to meet the major objective and, in turn, these elements may be divided into components or tasks designed to complete a proposed work effort. Such program budgets shall reflect expenditures from all fund sources.

13336. The department shall, in cooperation with the Legislature, develop a format for utilization by agencies required to submit a program budget.

13337. (a) The budget required by the State Constitution to be submitted by the Governor at each regular session of the Legislature shall be submitted within the first 10 days thereof and shall contain a complete plan and itemized statement of all proposed expenditures of the state provided by existing law or recommended by him or her, and all of its institutions, departments, boards, bureaus, commissions, officers, employees, and other agencies, and of all estimated revenues, for the ensuing fiscal year, together with a comparison, as to each item of revenues and expenditures, 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 revenue and expenditures for the next fiscal year.

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

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

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

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

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

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

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

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

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

13337.3. (a) (1) "Advisory body" means every board, bureau, commission, committee, panel, task force, or similar group created by statute or executive order whose principal function is to review, advise, plan, advocate, or promote.

(2) "State funded" means receiving direct or indirect support from the General Fund, from funds that could be made available for General Fund purposes, or from funds which could be used to free up General Fund moneys. The determination of whether an advisory body is state funded shall be made by the Director of Finance.

(b) On and after January 1, 1993, moneys may not be expended for the support of any state-funded advisory body unless that advisory body is evaluated pursuant to this section.

(c) The Governor's Budget submitted to the Legislature for the 1992-93 fiscal year shall include an addendum which evaluates the need for every state-funded advisory body in state government. That addendum shall identify each advisory body along with the relevant statutory or executive order reference establishing the advisory body, the funding source for each advisory body, including all direct and indirect costs and staff allocated, and an evaluation based on the following criteria:

(1) The function of the advisory body.

(2) Whether there is another appropriate governmental entity capable and suitable to carry on the function performed by the advisory body even if the new responsibility necessitates changing the composition or mandate of an existing body.

(3) Whether the size of the advisory body is no larger than necessary to assure a range of viewpoints and to reflect this state's diversity (7 to 13 members).

(4) Whether consumers and the general public constitute a majority of voting members or is there justification for specific advice from experts only.

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(5) Whether the advisory body is authorized to have an executive officer appointed by the advisory body, and subject to Senate confirmation.

(6) Whether the agenda of the advisory body is significant to the Legislature or to a constitutional officer or if the advisory body reports to the Legislature, or a constitutional officer, whether the Legislature or the constitutional officer share in the appointing authority. If the Governor makes all of the appointments, whether those appointments subject to Senate confirmation.

(7) Whether strict conflict-of-interest provisions are applicable for each appointed member of the advisory body and the meetings of the body are open to the public.

(8) Whether appointing authorities are directed to appoint persons reflecting the ethnic and cultural diversity of the state.

(9) Whether a clear working relationship exists between the advisory body and other governmental agencies with which the advisory body reviews, advises, or plans.

(10) Where the advisory body is created to review and report on a specific issue, whether there is a date for reporting and a date at which time the advisory body shall terminate.

13337.5. The annual Budget Act shall not provide for projected expenditures in excess of projected revenues. Further, it is the intention of the Legislature that in the event, after enactment of the Budget Act, revised estimates of expected revenues or expenditures, or both, show that expenditures will exceed estimated revenues, expenditures should be reduced or revenues increased, or both, to ensure that actual expenditures do not exceed actual revenues for that fiscal year.

13338. (a) The Budget Bill shall utilize a coding scheme compatible with the Governor's Budget and with the records of the Controller.

(b) The Budget Bill shall provide for the appropriation of federal funds received by the state and deposited in the State Treasury.

13339. (a) There is hereby created a California Fiscal Advisory Board consisting of the following members, or their representatives:

(1) Chairman of the committee in each house which considers appropriations.

(2) Chairman of the Joint Legislative Budget Committee.

(3) Chairman of the Joint Legislative Audit Committee.

(4) State Treasurer.

(5) State Controller.

(6) Director of Finance, who shall serve as chairman of the board.

(b) The board shall monitor and advise the legislative and executive branches regarding the implementation of this chapter. The board shall also make recommendations as to any further legislation that may be necessary in order to further the objectives of this chapter.

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(c) In addition thereto, the advisory board shall review the budgeting and accounting process for the purpose of improving the preparation, legislative review and execution of the budget considering, but not limited to, the following subjects:

- (1) The budget cycle.
- (2) Adequate time for legislative review.
- (3) Increased public participation.
- (4) The basis of accounting revenues, expenditures, payables, and encumbrances.

The advisory board shall make a preliminary report of its recommendations by March 1, 1981, and a final report prior to the time subdivision (a) of Section 13338 is implemented.

This section shall remain in effect only until the time the provisions of Section 13300 become applicable to those state entities specified in subdivision (d) of Section 13300, and as of that date is repealed, unless a later enacted statute, which is chaptered before that date, deletes or extends the date.

13340. (a) Except as provided in subdivision (b), on and after July 1, 2008, no moneys in any fund that, by any statute other than a Budget Act, are continuously appropriated without regard to fiscal years, may be encumbered unless the Legislature, by statute, specifies that the moneys in the fund are appropriated for encumbrance.

(b) Subdivision (a) does not apply to any of the following:

(1) The scheduled disbursement of any local sales and use tax proceeds to an entity of local government pursuant to Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code.

(2) The scheduled disbursement of any transactions and use tax proceeds to an entity of local government pursuant to Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code.

(3) The scheduled disbursement of any funds by a state or local agency or department that issues bonds and administers related programs for which funds are continuously appropriated as of June 30, 2008.

(4) Moneys that are deposited in proprietary or fiduciary funds of the California State University and that are continuously appropriated without regard to fiscal years.

(5) The scheduled disbursement of any motor vehicle license fee revenues to an entity of local government pursuant to the Vehicle License Fee Law (Part 5 (commencing with Section 10701) of Division 2 of the Revenue and Taxation Code).