
SENATE COMMITTEE ON AGRICULTURE

Senator Andreas Borgeas, Chair

2021 - 2022 Regular

Bill No:	SB 1499	Hearing Date:	4/27/22
Author:	Committee on Agriculture		
Version:	4/5/22		
Urgency:	No	Fiscal:	Yes
Consultant:	Reichel Everhart		

Subject: Department of Food and Agriculture: Department of Agriculture Building Fund

SUMMARY:

This bill clarifies and conforms the existing mechanism for transferring money into the Department of Agriculture Building Fund. This bill specifies the building fund appropriation would be made annually through the budget act rather than as a continuous appropriation, conforming to existing practice. The bill clarifies that the California Department of Food and Agriculture (CDFA) may lease or rent out space within a building acquired by them, which is current practice, subject to approval of the Department of General Services (DGS). Finally, the bill eliminates the requirement that DGS assume control of a facility that is constructed or acquired by CDFA.

BACKGROUND AND EXISTING LAW:

Existing state law:

- 1) Establishes the Department of General Services, which provides centralized services for the state as pertains to the acquisition, construction, and maintenance of state buildings and property (*Government Code 14601*).
- 2) Authorizes CDFA, with approval from the Department of General Services, to purchase or otherwise acquire real property (*Food and Agricultural Code 627*).
- 3) Authorizes CDFA to construct and equip buildings on acquired real property and make improvements to the property, buildings, and equipment (*Food and Agricultural Code 601*).
- 4) Establishes the Department of Agriculture Building Fund (*Food and Agricultural Code 621*).

PROPOSED LAW:

This bill:

- 1) Eliminates the requirement to repay the source of funds transferred to the Department of Agriculture Building Fund.

- 2) Eliminates the requirement to transfer unused balances to the General Fund.
- 3) Eliminates the continuous appropriation of moneys in the Department of Agriculture Building Fund and, instead, makes moneys in the fund available, upon appropriation by the legislature in the annual budget act.
- 4) Removes the requirement that CDFFA return the money acquired through a rental to the Department of Agriculture Building Fund.
- 5) Clarifies CDFFA may lease or let excess space in a building that the department has acquired upon approval of DGS.
- 6) Eliminates the requirement for DGS to assume control of a facility that is constructed or acquired by CDFFA.

ARGUMENTS IN SUPPORT:

None received.

ARGUMENTS IN OPPOSITION:

None received.

COMMENTS:

The current practice of transferring rent payments into the building fund to help maintain department-owned properties allows CDFFA to address some of its most urgent deferred maintenance needs. CDFFA does not have an ongoing line-item appropriation for deferred maintenance costs and would otherwise solely rely on the annual deferred maintenance budget act funding, which fluctuates year to year. The current practice provides some of CDFFA's programs with a stable funding source for maintenance and repairs and allows for a thoughtful and planned approach to addressing some of the deferred maintenance needs.

The changes proposed by this bill are necessary to clarify existing law to ensure that CDFFA's practices related to moving funding into the building fund are in line with statute. CDFFA does not have a baseline budget for repairs to its facilities. CDFFA has historically used the building fund to pay for repairs, which allows programs to more effectively plan for and manage their repair needs.

SUPPORT:

None received

OPPOSITION:

None received

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