REQUEST FOR COUNCIL ACTION

CITY COUNCIL MEETING DATE:
JUNE 4, 2019

TITLE:
APPROVE AN APPROPRIATION ADJUSTMENT OF $99,901.30 TO RECOGNIZE CASP REVENUE FUNDS FOR FISCAL YEAR 2018-19 {STRATEGIC PLAN NO. 4, 2A}

RECOMMENDED ACTION

Approve Appropriation Adjustment 2019-137 recognizing $99,901.30 from the Planning and Building CASp Certification Training Fund account (No. 01616002-52366) and appropriating to various CASp Certification and Training Fund accounts.

DISCUSSION

On September 19, 2012 Governor Brown signed into law SB 1186, Disability Access, which adds a state fee of $1 to each application for a local business license or equivalent instrument or permit, or renewal thereof. The purpose of this fee is to increase disability access and compliance with construction-related accessibility requirements and to develop educational resources for businesses in order to facilitate compliance with federal and state disability laws, as specified. In October 2017 AB 1379 (Chapter 667) expanded existing SB 1186, requirements in that funds under the bill are to be used for increased CASp training and certification within the jurisdiction.

This bill would extend the operation of this fee indefinitely and, on and after January 1, 2018, and until December 31, 2023, increase the amount from $1 to $4. The local jurisdiction shall retain 90% of the fees collected, to be deposited in a local "CASp Certification and Training Fund." The remaining 10% of fees collected shall be transmitted on a quarterly basis to the Division of the State Architect for deposit in the Disability Access and Education Revolving Fund.

On and after January 1, 2024, the fee will revert to $1 and local jurisdictions will retain 70% of fees collected, with the remaining 30% to be transmitted to the Division of the State Architect, as outlined in existing law.

Currently the revenues collected for the CASp fund are in CASp Certification Training Fund (01116002-52366). However, the expense account for CASp related costs are expended.
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through the Planning and Safety – New Construction and the Planning and Building Plan Permits and Plan Check Expense accounts.

Upon approval, all CASp related expenditures will be appropriately charged to the CASp Certification and Training Fund accounts (No. 01616500).

ENVIRONMENTAL IMPACT

None.

STRATEGIC PLAN ALIGNMENT

Approval of the action allows the City to meet Goal #4 – City Financial Stability, Objective #2, (provide a reliable five-year financial forecast that ensures financial stability in accordance with the strategic plan, Strategy A (adopt a budget that is in alignment with the financial forecast and strategic plan).

FISCAL IMPACT

The appropriation adjustment will recognize revenue received in the CASp Certification and Training revenue account (no. 01616002-52366) under AB 1379 and appropriate the funds as follows:

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Account Unit – Account #</th>
<th>Fund Description</th>
<th>Accounting Unit, Account Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2018/19</td>
<td>01616500-62120</td>
<td>Special Fund - Expenditure</td>
<td>CASp Certification and Training Fund-Training, Transportation, Meeting</td>
<td>$25,000</td>
</tr>
<tr>
<td>FY 2018/19</td>
<td>01616500-62140</td>
<td>Special Fund - Expenditure</td>
<td>CASp Certification and Training Fund-Membership, Subscription &amp; Dues</td>
<td>$20,000</td>
</tr>
<tr>
<td>FY 2018/19</td>
<td>01616500-62300</td>
<td>Special Fund - Expenditure</td>
<td>CASp Certification and Training Fund-Contract Services-Professional</td>
<td>$24,901.30</td>
</tr>
<tr>
<td>FY 2018/19</td>
<td>01616500-63001</td>
<td>Special Fund - Expenditure</td>
<td>CASp Certification and Training Fund-Miscellaneous Operating Expenses</td>
<td>$30,000</td>
</tr>
</tbody>
</table>
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E Minh Thai
Executive Director
Planning and Building Agency

APPROVED AS TO FUNDS AND ACCOUNTS:

Kathryn Downs
Executive Director
Finance and Management Services Agency

Exhibit: 1. Assembly Bill No. 1379 Chapter 667
Assembly Bill No. 1379
CHAPTER 667

An act to amend Section 4467 of the Government Code, relating to disability access, and making an appropriation therefor.

[Approved by Governor October 11, 2017. Filed with Secretary of State October 11, 2017.]

LEGISLATIVE COUNSEL’S DIGEST

AB 1379, Thurmond. Certified access specialist program: funding.

(1) Existing law requires the State Architect to establish and publicize a program for voluntary certification by the state of any person who meets specified criteria as a certified access specialist (CASp), as provided. Existing law, on and after January 1, 2013, and until December 31, 2017, inclusive, requires that any applicant for an original or renewal of a local business license or equivalent instrument or permit to pay an additional fee of $1 for that license, instrument, or permit, to be collected by the city, county, or city and county that issued the license, instrument, or permit.

This bill would extend the operation of this fee indefinitely and, on and after January 1, 2018, and until December 31, 2023, increase the amount from $1 to $4. The bill would revert the amount of the fee back to $1 on and after January 1, 2024. The bill, in any city, county, or city and county that does not issue a business license or an equivalent instrument or permit, would require an applicant for a building permit to pay an additional fee of $4 on and after January 1, 2018, and until December 31, 2023, and an additional fee of $1 on and after January 1, 2024, for the building permit, to be collected by the city, county, or city and county that issued the building permit.

(2) Existing law requires that the city, county, or city and county retain 70% of the fees collected under the above-described provision, to be used to, among other things, fund increased CASp services in that jurisdiction for the public, thereby making an appropriation. Existing law requires that the remaining 30% of the fees be transmitted on a quarterly basis to the Division of the State Architect for deposit in the Disability Access and Education Revolving Fund, a continuously appropriated fund.

This bill, on and after January 1, 2018, and until December 31, 2023, inclusive, would require the city, county, or city and county to instead retain 90% of the fees collected. The bill would revert the amount retained back to 70% on and after January 1, 2024. The bill would also require the money retained by the city, county, or city and county to instead be deposited in a special fund, established by the city, county, or city and county to be known as the “CASp Certification and Training Fund,” and used for increased CASp training and certification within that local jurisdiction, thereby making
an appropriation by expanding the purposes for which the retained fee moneys are required to be spent.

By extending the operation of fees deposited in the Disability Access and Education Revolving Fund, thereby increasing the amount of money in a continuously appropriated fund, this bill would make an appropriation.

(3) By extending the operation of the above-described fee, thereby requiring local officials to collect and allocate these revenues beyond December 31, 2018, this bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement. This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Section 4467 of the Government Code is amended to read:

4467. (a) (1) On and after January 1, 2013, through December 31, 2017, inclusive, any applicant for a local business license or equivalent instrument or permit, and from any applicant for the renewal of a business license or equivalent instrument or permit, shall pay an additional fee of one dollar ($1) for that license, instrument, or permit, which shall be collected by the city, county, or city and county that issued the license, instrument, or permit.

(2) On and after January 1, 2018, through December 31, 2023, the following shall apply:

(A) Any applicant for a local business license or equivalent instrument or permit, and any applicant for the renewal of a business license or equivalent instrument or permit, shall pay an additional fee of four dollars ($4) for that license, instrument, or permit, which shall be collected by the city, county, or city and county that issued the license, instrument, or permit.

(B) In any city, county, or city and county that does not issue a business license or an equivalent instrument or permit, an applicant for a building permit shall pay an additional fee of four dollars ($4) for that building permit, which the city, county, or city and county that issued the building permit shall collect.

(3) On and after January 1, 2024, the following shall apply:

(A) Any applicant for a local business license or equivalent instrument or permit, and any applicant for the renewal of a business license or equivalent instrument or permit, shall pay an additional fee of one dollar ($1) for that license, instrument, or permit, which shall be collected by the city, county, or city and county that issued the license, instrument, or permit.

(B) In any city, county, or city and county that does not issue a business license or an equivalent instrument or permit, an applicant for a building
permit shall pay an additional fee of one dollar ($1) for that building permit, which the city, county, or city and county that issued the building permit shall collect.

(b) (1) The city, county, or city and county shall retain the percentage of the fees collected under this section as specified in paragraph (2), of which up to 5 percent of the retained moneys may be used for related administrative costs of this chapter. The city, county, or city and county shall deposit the remaining moneys in a special fund, established by the city, county, or city and county to be known as the “CASp Certification and Training Fund.” The moneys in the fund shall be used for increased certified access specialist (CASp) training and certification within that local jurisdiction and to facilitate compliance with construction-related accessibility requirements. The highest priority shall be given to the training and retention of certified access specialists to meet the needs of the public in the jurisdiction as provided in Section 55.53 of the Civil Code.

(2) The amount of fees collected under this section and retained by the city, county, or city and county shall be in the following amounts:
   (A) On and after January 1, 2018, through December 31, 2023, inclusive, 90 percent.
   (B) On and after January 1, 2024, 70 percent.
   (c) The remaining amount of all fees collected under this section and not retained by the city, county, or city and county pursuant to subdivision (b) shall be transmitted on a quarterly basis to the Division of the State Architect for deposit in the Disability Access and Education Revolving Fund established under Sections 4465 and 4470. The funds shall be transmitted within 15 days of the last day of the fiscal quarter. The Division of the State Architect shall develop and post on its Internet Web site a standard reporting form for use by all local jurisdictions. Up to 75 percent of the collected funds in the Disability Access and Education Revolving Fund shall be used to establish and maintain oversight of the CASp program and to moderate the expense of CASp certification and testing.
   (d) Each city, county, or city and county shall make an annual report, commencing March 1, 2014, to the Division of the State Architect of the total fees collected in the previous calendar year and of its distribution, including the moneys spent on administrative services, the activities undertaken and moneys spent to increase CASp services, the activities undertaken and moneys spent to fund programs to facilitate accessibility compliance, and the moneys transmitted to the Disability Access and Education Revolving Fund.

SEC. 2. If the Commission on State Mandates determines that this act contains costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

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