

Date of Hearing: April 19, 2023

ASSEMBLY COMMITTEE ON ACCOUNTABILITY AND ADMINISTRATIVE REVIEW

Cottie Petrie-Norris, Chair

AB 437 (Jackson) – As Amended March 20, 2023

SUBJECT: State government: equity

SUMMARY: This bill would require every state agency, in carrying out its duties under law, to ensure that its “policies, allocation of resources, and practices” are equitable. For purposes of this bill, the following definitions would apply:

1. “*Equitable*” means that legislation, policies, allocations of resources, and systemic practices empower and meet the unique needs of diverse and underserved populations or ensure that communities facing the greatest inequities are not negatively affected or left behind in the allocation of resources in a fair and just way.
2. “*Inequities*” are the factors and conditions that shape disparities that are systemic and avoidable and, therefore, considered unjust or fair.
3. “*Disparities*” means the difference in the quality and longevity of life among distinct segments of the population, including differences that occur by gender, age, race or ethnicity, sexual orientation, gender identity, education or income, disability or functional impairment, or geographic location, or the combination of any of these factors.

ACCORDING TO THE AUTHOR:

“To ensure that California is equitable for all of its diverse communities, it is imperative to define equity. The Golden State cannot chart a course to equity for all if there is no defined goal, and no way to empirically measure progress towards that goal. AB 437 will ensure that something as integral to good governance as equity is no longer left up to interpretation, and create guardrails for California in its mission to become the first truly equitable state.”

EXISTING LAW: Creates, within the Government Operations Agency, a Chief Equity Officer, who is appointed by, and serves at the pleasure of, the Governor. The Chief Equity Officer shall engage with state entities to improve equity and inclusion throughout state government operations. (**Government Code Section 12816.5**)

FISCAL EFFECT: Unknown, this bill has not been analyzed by a fiscal committee.

COMMENTS:

“Equity” is the state of being just and fair. In terms of providing government services, equitable public policies are intended to address the disparate treatment, ensuring fair treatment for all.

In 2022, Governor Gavin Newsom directed his state agencies and departments to “take additional actions to embed equity analysis and considerations in their mission, policies and practices.” The Governor’s Executive Order N-16-22 requires state agencies and departments to develop analytical tools to identify and effectively respond to disparate treatment.

More specifically, for all strategic plans for the next three fiscal years, state agencies and departments must do the following:

“Develop or update the strategic plan to reflect the use of data analysis and inclusive practices to more effectively advance equity and to respond to identified disparities with changes to the organization's mission, vision, goals, data tools, policies, programs, operations, community engagement, tribal consultation policies and practices, and other actions as necessary to serve all Californians; and,

As part of the development or updating of the strategic plans, engage and gather input from California communities that have been historically disadvantaged and underserved within the scope of policies or programs administered or implemented by the agency or department, and make the plans publicly available.”

By June 30, 2023, the executive order requires the Office of Data and Innovation to develop a set of statewide data and service standards and practices to support agencies and departments to identify and address disparities in government operations and services.

The Governor’s executive order, among several other actions, also created the Racial Equity Commission to prepare an annual report that provides data on racial inequities and disparities in the state and recommends best practices on tools, methodologies, and opportunities to advance racial equity.

The Governor has also appointed a Chief Equity Officer at the Government Operations Agency to see this vision is implemented in state operations, procurement, information technology and human resources. He has also directed the Department of Finance to require agencies and departments to “analyze equity considerations when making requests for new resources, including assessments of how proposed changes address inequities.”

PREVIOUS LEGISLATION:

SB 189 (Budget Committee), Chapter 48, Statutes of 2022, Section 28, established the Chief Equity Officer at the Government Operations Agency with the responsibility of improving equity and inclusion throughout state government operations.

SB 17 (Pan) would have established the Racial Equity Commission (REC) within the Governor's Office of Planning and Research to evaluate and recommend strategies for advancing racial equity across state agencies and departments. The REC would have developed a statewide Racial Equity Framework for the state, offered technical assistance to departments and local governments, engaged in community outreach via quarterly stakeholder meetings, and published annual reports on racial disparities in the state and recommendations to reduce such disparities. Measure was moved to the Inactive File on the Assembly Floor and failed passage.

AB 316 (Cooper), Chapter 312, Statutes of 2002, requires the California Department of Human Resources to prepare a report on gender and ethnicity pay equity in certain classifications where there is an underrepresentation of women and minorities.

AB 1957 (Wilson), Chapter 314, Statutes of 2002, updates the information that the Department of Developmental Services and regional centers are required to compile and report on the

purchase of services for individuals with developmental disabilities to better identify disparities in race, ethnicity and languages.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file.

Opposition

None on file.

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