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An act to amend Section 13302 of, and to repeal Section 12472.5 of, the Government Code, relating to state employment.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 12472.5 of the Government Code is repealed.

~~12472.5. Notwithstanding any other law, on and after January 1, 2010, payments to employees made through the Uniform State Payroll System for master payroll paid on June 30 of each year shall be issue dated on July 1, provided that employees shall, in any event, be paid promptly.~~

SEC. 2. Section 13302 of the Government Code is amended to read:

13302. The accounting system devised as provided in Section 13300 shall provide, with respect to the General Fund and other governmental funds, for all of the following:

(a) The accrual of expenditures as of the end of each fiscal year on the basis of payables incurred, excluding accrued interest on general obligation bonded indebtedness.

(b) (1) The accrual of revenues at the end of the fiscal year if the underlying transaction has occurred as of the last day of the fiscal year, the amount is measurable, and the actual collection will occur either during the current period or after the end of the current period but in time to pay current yearend liabilities.

(2) Cash in agency trust accounts within the centralized State Treasury system that is in transit to the State Treasury, accrued interest receivable, and accounts receivable shall be accrued as of the end of each fiscal year.

(c) For the purposes of financial reporting, both of the following shall apply:

(1) A payable exists when goods or services have been delivered and the state is required to pay for those goods or services, and an encumbrance exists when a valid obligation against an appropriation has been created.

(2) All funds appropriated shall be identified as either expended, payable, encumbered (exclusive of payables), or unencumbered, as further defined by the California Fiscal Advisory Board, and the total of these shall equal the total appropriation.

~~(d) (1) Notwithstanding any other law, and except as provided in paragraph (2), payments to employees made through the Uniform State Payroll System as described in Section 12472.5 with an issue date each year of July 1 shall be considered payables incurred in the fiscal year in which the payment is issue dated.~~

~~(2) Notwithstanding paragraph (1), for purposes of calculating maintenance of effort expenditures under Section 8 of Article XVI of the California Constitution, or for purposes of calculating funds used by a program during the fiscal year, payments made on July 1 may be counted towards the prior fiscal year.~~



LEGISLATIVE COUNSEL'S DIGEST

Bill No.
as introduced, _____.
General Subject: State employees: payroll: June payment.

Existing law requires the Controller to operate a uniform state payroll system for all state agencies, except the California Exposition and State Fair and the University of California, in conformance with the accounting system for all state agencies supervised by the Department of Finance.

Existing law, on and after January 1, 2010, requires that payments to employees made through the Uniform State Payroll System for master payroll paid on June 30 of each year be issue dated on July 1, provided that employees, in any event, be paid promptly. Existing law requires that these payments be considered payables incurred in the fiscal year in which the payment is issue dated for purposes of the accounting system for the state by the Department of Finance, except as specified.

This bill would repeal these provisions described above that require that payments to employees paid on June 30 of each year be issue dated on July 1st, and would make conforming changes.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

