

New CA Legislature Action Affecting Nonprofits

10.10.18 | Linda J. Rosenthal, JD



California's legislative schedule is set up in a way that each summer there is a rush of activity to get bills passed by the end-of-summer deadline. For 30 days afterward, the governor can either sign or veto legislation approved by both chambers. Even though both the Assembly and Senate currently have large Democratic majorities, there is some element of panic about whether the Democratic governor will give a thumbs-up or a thumbs-down on each bill sent to his desk. Governor Brown does not rubber-stamp each piece of legislation; there were some vetoes this session and others approvals (like the net neutrality bill, below) went right up to the wire.

Legislature Approves Online Funding Portal

With bipartisan support, the Legislature approved [Assembly Bill 2252, "State grants; state grants administrator"](#) which should be a big help to nonprofits around the state seeking government grants. It was sponsored by Democratic Assemblywoman Monique Limon, who is Chair of the Assembly Select Committee on the Nonprofit Sector, a recently created legislative panel. It was also sponsored by the California Association of Nonprofits (CalNonprofits). On September 10, 2018, Governor Brown [signed the measure into law](#).

The goal of this law is to make it simpler for nonprofit organizations to learn about and apply for state grants through a single, unified, online portal. This has been a wish-list item for the state's 501(c)(3)s who find it difficult and confusing to learn about available funding sources and to submit the necessary paperwork to apply for the money.

Specifically, without this legislation, funding opportunities for each state department and agency are posted in its own format and in a separate part of its website. There is no unified state database with all of these grant programs listed in a single format and in one place. Without such a centralized, online, database, the search for government money has not only been "[frustrating for individual nonprofits](#):" it also plays a role in the funding disparities ... throughout the nonprofit community."

Instead, there will be a searchable database of all state grants as well as the opportunity to submit funding applications electronically. The new law creates the [Grant Information Act of 2018](#) that requires the “California State Library, on or before July 1, 2020, to create a funding opportunities Internet Web portal that provides a centralized location for grant seekers to find state grant opportunities.” It also mandates that “each state agency, on or before July 1, 2020, to register every grant the state agency administers with the California State Library prior to commencing a solicitation or award process for distribution of the grant, as specified.” The Library must also submit an annual report to the Legislature about the effectiveness of this new portal.

Legislature Restores Net Neutrality

California has just passed landmark legislation designed to undo the recent federal rollback on “net neutrality” protections for all internet users in the state.

Last December, we posted about this important issue in [Net Neutrality and Nonprofits](#) as the Federal Communications Commission, with a new GOP majority, was about to take action. “Net neutrality” is a confusing term. “There’s no special or particular danger to nonprofits if net neutrality is smashed to bits. It’s a bad deal for everyone – except a few major telecom firms like Verizon and will “likely have a severe and specific effect on the nonprofit world – on top of the overall profound change it may have on all of our lives.”

Keeping “net neutrality” was, both before and after the FCC’s action, wildly popular. Worth repeating is a clever explanation we lifted from the San Diego City Beat in a post titled [Net Neutrality for Kids](#) in which a reporter “describes his afternoon [explaining the concept to a child.](#)”

Dad: “So yeah, a day might come where your friends might all be playing a game, and you can’t play it because you don’t have the same internet service as they do.”

Kid: “That’s stupid.”

Dad: “Yeah, kid. You’re telling me....Now go tell your mom.”

So – bottom line – the California Legislature [took action recently](#) to fight back and restore the “same internet service” for everyone. On August 30, 2018, it passed [the strongest net neutrality protection in the nation so far](#), rolling back the Administration’s changes and restoring much of the law in effect before then.

This was no easy fight; there were “[months of feuding](#) between tech advocates and telecom industry lobbyists. “Telecom giants such as AT&T and Verizon Communications [poured millions into killing](#) the legislation, while grass-roots activists fought back with crowdsourced funding and social media campaigns.”

The tension continued for a month after passage. Governor Brown signed the legislation only at the eleventh hour – on Sunday, September 30th.

Conclusion

It’s not exactly case closed, though. The ink on the new law wasn’t even dry when, within hours, the Administration announced that the [Justice Department has filed suit to stop the new California law](#). California officials vow to vigorously defend against this legal challenge.