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BEFORE THE CALIFORNIA STATE BOARD OF EQUALIZATION  
651 BANNON STREET  
SACRAMENTO, CALIFORNIA  
STATE BOARD OF EQUALIZATION

JUNE 18TH, 2025

CALIFORNIA STATE BOARD OF EQUALIZATION  
BOARD MEETING

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ITEM 7

BOARD MEMBER MATTERS:

LEGISLATIVE BOARD WORK GROUP PROPOSAL

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REPORTED BY: Jillian M. Sumner, CSR NO. 13619

1 APPEARANCES

2 For the Board of  
3 Equalization:

Honorable Ted Gaines  
Chair

4 Honorable Sally J. Lieber  
5 Vice Chair

6 Honorable Antonio Vazquez  
Third District

7 Honorable Mike Schaefer  
Fourth District

8 Hasib Emran  
9 Appearing for Malia M. Cohen  
10 State Controller  
(per Government Code  
Section 7.9)

11 For the Board of  
12 Equalization Staff:

Yvette Stowers  
Executive Director

14 Julia Himovitz  
Attorney IV  
15 Legal Department

16 Richard Moon  
Chief Counsel  
17 Legal Department

18 Mary Cichetti  
Clerk  
19 Board Proceedings and  
20 Support Services

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STATE BOARD OF EQUALIZATION  
651 BANNON STREET, SACRAMENTO  
JUNE 18TH, 2025

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**ITEM 7**

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MR. GAINES: I'm now going to move to the next item, which is Board Member Matters, Item No. 7, Legislative Board Workshop Proposal.

Thank you.

Okay. So this is Item 7, Legislative Board Workshop Proposal. And it's right and proper for the Board and individual Board Members to evaluate and support or oppose legislation.

I know, like my fellow Board Members, that we want to do that in a way that best serves the public, the Board, and the Board staff.

As such, during our discussion, I'd like to try to understand how the Board Work Group would best be organized and operate.

And as you recall, Controller Cohen and I had discussed this, and she wanted to make sure that we brought this forward. And that we added some structure

1 to how we analyze a bill, and how it comes to the Board  
2 of Equalization to either provide support for, as a  
3 Board, and even in those cases, the individuals could  
4 decide not to support. And we might end up still with a  
5 majority of this Board that would support.

6 And of course we can always support bills on  
7 our -- on our own as individuals.

8 And through a lot of this discussion with  
9 staff, and just trying to figure it out, we've got a  
10 couple of different aspects to that.

11 Now, we have bills that move through that are  
12 naturally connected to our constitutional duties as the  
13 Board of Equalization. And I think those are pretty  
14 self-evident and pretty clear. And those are tracked by  
15 Ted Angelo. And he does a great job doing that for us.

16 But we also have another segment of  
17 legislation that moves through that is related to our  
18 duties as the Board of Equalization. But it may not be  
19 as clearcut. And so that's kind of what I'm trying to  
20 see what we can focus on.

21 And I know, Vice Chair Lieber, you've  
22 presented a letter to member -- you presented an action  
23 to the Board, and our Executive Director Stowers has  
24 reviewed it.

25 And I thought there were some good ideas there

1 in terms of, you know, do we have an analysis on the  
2 bill? What is the fiscal impact? And some really well  
3 laid-out steps.

4 And so I'd just like to open this discussion.  
5 What do you think it should look like as we -- how to  
6 handle legislative bills moving over to the BOE in terms  
7 of support?

8 And, you know, the concept -- or one concept  
9 is that we create a subcommittee. Now, that would be  
10 just two Members of the five. And we'd have to use our  
11 own support staff to do that. And those bills could be  
12 reviewed and then presented to the full Board.

13 With that, also comes the timing issue.  
14 Because you're going to have a subcommittee meeting that  
15 then is going to take a look at these. And then you  
16 have to make sure it gets on the agenda for the full  
17 Board.

18 And so we've got to figure out how that all  
19 works. Because I think one of our fears is that we  
20 would support a bill, an amendment we've taken. Maybe  
21 it's a gut and amend. And we're supporting something  
22 totally different. And yet we only meet on a monthly  
23 basis. And so that could present its own problems.

24 So I'm open to ideas in terms of how we  
25 proceed. And would just like to hear your comments, and

1 let's have a discussion.

2 We'll start with Vice Chair Lieber.

3 And then we'll go to you, Member Schaefer.

4 MS. LIEBER: Thank you.

5 MR. GAINES: And then you, Member Vazquez.

6 MS. LIEBER: And as you indicated in your  
7 comments, Mr. Chair, we did recently approve a set of  
8 guidelines that are now part of our -- a new part of our  
9 Governance Policies to require that there be a  
10 germaneness, and that we have -- that the individual  
11 member who is seeking support of the bill provides a  
12 fiscal analysis, if there is one available.

13 And that we would not consider spot bills,  
14 that are those that are probably the most likely to be  
15 used as a vehicle for a gut and amend.

16 And I'd like to suggest that we pursue a  
17 Work Group rather than a committee. We don't have  
18 committees here in terms of the Board.

19 And as you know, Mr. Chair, from being in the  
20 Legislature, often bills are moving, and are subject to  
21 a time pressure.

22 And I'd like to pursue a Work Group structure  
23 so that all Members have the ability to comment on  
24 legislation and to seek the full Board's support.

25 I know that what's being proposed, or my

1 understanding of what's being proposed, is that  
2 individual Members would still have the right to bring  
3 forward a piece of legislation that fits within the  
4 rubric of our new Governance Policy.

5 But I think parceling something out to a  
6 committee or the creation of committees, which we don't  
7 have as a structure currently within the BOE, would pose  
8 unnecessary delays in a system that's very time-driven  
9 and deadline-driven.

10 MR. GAINES: Wonderful. Thank you.

11 Appreciate that.

12 Member Vazquez.

13 MR. VAZQUEZ: Yes.

14 First of all, I just wanted to thank  
15 Chairman Gaines and Controller Cohen for looking for  
16 ways to formalize for us to consider legislation and  
17 these legislative matters moving forward.

18 And I handed out a memo that I wasn't able to  
19 share with everybody because of Bagley-Keene. So I'll  
20 kind of walk you through it, and see what -- if any  
21 feedback we get from the body here today.

22 And let me just start with, you know, having  
23 complete understanding of legislative issues and  
24 supporting opposed -- supporting opposing or suggested  
25 amendments is part of our responsibility as elected



1 officials, whether it is a hearing directly from  
2 legislators deliberating on what to support or oppose,  
3 suggesting amendments, initiating our own proposals, or  
4 discussing the need for regulations or guidance for  
5 pending legislation. We all need to be fully engaged.

6 Based on the discussion last month, I believe  
7 the question is how we can best incorporate the concept  
8 into our existing government structure with a few  
9 changes.

10 I agree where Chairman Gaines on this, that at  
11 this time, the best structure to all this might be a  
12 Work Group, but with a few changes so that it's tailored  
13 specifically to the legislative process.

14 Essentially, it needs to be like a standing  
15 committee that is a standing Work Group, with the Work  
16 Group Chair and Vice Chair taking the lead preparing the  
17 minutes, keeping the Board and the public fully  
18 informed.

19 With that, I am proposing four procedural  
20 changes that could help this standing Work Group be most  
21 effective and efficient.

22 And I'll start with No. 1. It should be named  
23 differently than other Work groups. Even though it's a  
24 Work Group, we could give it a DBA as a standing  
25 committee.

1           Because the standing committee is free to  
2     convene at each monthly meeting as needed, and as  
3     determined by the Work Group Chair and Vice Chair,  
4     without the need to seek prior Board approval.

5           No. 2, each Board Member should be allowed to  
6     submit any legislative agenda items to the Executive  
7     Director for consideration by the Work Group Chair, so  
8     that every Member is involved.

9           This also avoids the Bagley-Keene Open Meeting  
10    issues.

11          Third, the Work Group Chair should be allowed  
12    to waive the requirement of a full report if  
13    appropriate, and if there is a sufficient public record  
14    in the minutes of each Work Group.

15          And, No. 4, as a standing committee, the  
16    election of the Work Group Chair and Vice Chair should  
17    be decided by the full Board on an annual or biannual  
18    basis, possibly at the December Board Meeting.

19          And finally, No. 5, the topics of the Work  
20    Group consideration should be as extensive as possible,  
21    and should include:

22                A) All legislation-related issues, inquiries  
23    and research;

24                B) A Board legislative plan;

25                C) Past, present and future bills;

1           D) Initiation of legislative concepts or  
2 proposals, and;

3           E) Discussion of implementation of proposed or  
4 enacted legislation.

5           With that, Member -- or Chair Gaines, I would  
6 like to place this proposal in a motion for your  
7 consideration and discussion as we move forward.

8           Thank you.

9           MR. GAINES: Wonderful.

10          So then you're making a motion?

11          MR. VAZQUEZ: Yes.

12          MR. GAINES: And do we have a second?

13          MS. LIEBER: Question.

14          MR. GAINES: Sure.

15          MS. LIEBER: So in terms of what you're  
16 proposing, the -- it would be a standing Work Group.

17          MR. VAZQUEZ: With all of us.

18          MS. LIEBER: So that we would not have to  
19 request permission in June for a July meeting, type of  
20 thing.

21          MR. VAZQUEZ: Right.

22          MS. LIEBER: So it would be possible to put it  
23 on any agenda. And then if there were not any  
24 legislative proposals that were requested, then it would  
25 just --

1 MR. VAZQUEZ: There's no need for it.

2 MS. LIEBER: -- not be on there for that  
3 month.

4 Okay. I would second that.

5 MR. GAINES: Wonderful. Great.

6 And I would like to hear from Member Schaefer,  
7 and then Deputy Controller Emran.

8 MR. SCHAEFER: Chair Gaines, before I came to  
9 Sacramento, I really never heard of a Work Group. I've  
10 done served on committees, you know, from school days,  
11 to city council, to here.

12 We have committees in the Congress and  
13 committees in the House and committees in the Senate. I  
14 like the word "committee."

15 I'd be happier if you, as Chair, would just  
16 appoint people to a committee.

17 When you say "Work Group," I can just see all  
18 kinds of new opportunities to work arising. And, you  
19 know, we have a lot of opportunities to work as it is.

20 I'm also very impressed with our relationship  
21 with Mr. Angelo, who brings all these issues together  
22 with us at every single meeting I've sat at. And I  
23 wouldn't want to create a group or a study that might  
24 detract from our total access to him.

25 Although, if there was a committee of two of

1     us meeting with him before the meeting to maybe focus on  
2     what position we should take, I have no problem with  
3     that.

4             But I'm sort of a student of Jerry Brown, one  
5     of the less is more. And I'm not anxious to expand the  
6     bureaucracy here, but I do like the word "committee."  
7     And if you'll have a committee, I'm all for it.

8             Thank you.

9             MR. GAINES: Okay.

10            And I think -- I actually think this solution  
11     answers your question. Yeah. In terms of simplicity.

12            MR. VAZQUEZ: Exactly.

13            MR. GAINES: So -- yeah. Good. Wonderful.  
14     Deputy Controller.

15            MR. EMRAN: Thank you, Chair Gaines.

16            I want to thank the Members of the Board for  
17     having this spirited discussion.

18            So when the Controller made this  
19     recommendation, she did so from the lens of good  
20     governance.

21            She believes that it is time to evolve the  
22     Board into a more meaningful and intentional government  
23     structure. We have worked hard over the past seven  
24     years rebuilding.

25            She now believes this time is right to begin

1 establishing our committee structure, which is different  
2 from our Work Group structure.

3 The Legislative Committee would become our  
4 first committee with the secretary of the Board  
5 supporting us. Very similar to the support provided to  
6 the full Board.

7 It will allow for more in-depth and proper  
8 vetting of the policy issues and associated bills, as  
9 well as a thought-out recommendation to the Board.

10 The Controller believes this will become our  
11 first committee, and she has recommendations for  
12 additional committees consistent with our constitutional  
13 responsibilities.

14 Chairman, the Controller would like to work  
15 with you and our Executive Director to create a proposal  
16 for the Board's future consideration.

17 We have taken very unfortunate and unfounded  
18 criticism about the work and value of this Board to our  
19 constituents. The Controller believes moving in this  
20 direction is consistent with our governance role, and  
21 welcomes the opportunity to turn the page on the limited  
22 governance structure we have survived under the past  
23 seven years.

24 And that's where the Controller stands now.

25 Thank you.

1           MR. GAINES: So maybe help me with that a  
2 little bit. Because we've got a motion and a second,  
3 with a proposal that I think provides a lot more  
4 structure than we've had historically.

5           And so I'd just like to know, you know, what  
6 are the Controller's thoughts with regard to this  
7 proposal that we're looking at?

8           And then I'd like the Executive Director to  
9 weigh in also.

10          MR. EMRAN: Thank you, Mr. Chairman.

11          This is my first time looking at this. And  
12 I've only had maybe 10 to 15 minutes to review it.

13          I'm a little confused here. It says it's a  
14 Legislative Work Group, DBA, but it would be under the  
15 guise of a Legislative Standing Committee. And I don't  
16 know exactly what that means under the Board Governance  
17 Policy.

18          MR. GAINES: Maybe we could have -- Mr. Moon,  
19 could you help us clarify? Because --

20          MR. EMRAN: So is it a Work Group? Is it a  
21 committee?

22          MR. GAINES: -- too that we have to make sure  
23 we're addressing, that we're falling within the right  
24 structure as a Board.

25          MR. MOON: Yeah.

1               Good morning. Richard Moon, Chief Counsel.

2               So, as you know, in the past, the Board has  
3 approved this Work Group structure that you've been  
4 using for a variety of reasons. And one was to make a  
5 clean break with, I guess, what we'll call BOE 1.0,  
6 because of AB 102.

7               And so this Work Group Committee was designed  
8 to be sort of what you might consider a one-off sort of  
9 type Work Group that considers specific individual  
10 issues that Board Members had concern over.

11              So the Work Group charter and the policy are  
12 designed to structure that type of a Work Group.

13              If the Board is now considering a standing  
14 Work Group, I think there should be a consideration of  
15 additional factors that are not contained within the  
16 existing charter.

17              And so some of those issues that the Board may  
18 want to consider is, for example, who would be the  
19 Work Group Chair and Vice Chair, and how would that  
20 be -- how would that Chair be selected?

21              And then what would be sort of the authority  
22 and the powers of that Chair?

23              And depending on what those authorities and  
24 powers are, would that somehow delay the process or make  
25 it more difficult for other Board Members to also have



1     legislation that they were interested in brought before  
2     the full Board?

3             And so I know this Board has been -- has sort  
4     of historically worked cooperatively and  
5     collaboratively. But another consideration is that  
6     future Boards, we don't know what that will look like.  
7     And so the rules that are set up now should be robust  
8     enough to cover not just your Board, but future Boards  
9     as well.

10            There are other considerations as well. So  
11     the existing Work Group charter says that the Work Group  
12     will do the work and then bring back the item, including  
13     minutes at the next Board Meeting.

14            And then at the next Board Meeting, there  
15     could be potential action by the full Board.

16            MR. GAINES: Okay.

17            MR. MOON: And if the standing committee works  
18     that way, that might cause additional delay that you may  
19     not have considered, or that may not be beneficial to  
20     the piece of legislation that you're looking at.

21            And so I think, if you're considering a  
22     standing Work Group, I think the charter should be  
23     looked at.

24            And then many of these policies and structures  
25     are thought through and written down.

1           The other sort of vehicle that you've been  
2    using to consider legislation is the existing Board  
3    Member Matters. This is how legislation has been  
4    brought up in the vehicle that's been used.

5           And I think some of the advantages of that is  
6    that the action for support could be taken at that same  
7    meeting. The vetting of the information of legislation  
8    is done before being brought to the Board by the  
9    individual Board Member that's being interested.

10          So there's some more sort of dexterity and  
11   flexibility in terms of putting it on the agenda, when  
12   it's on the agenda. The speakers, perhaps, that you  
13   want to invite to talk about the legislation.

14          There's also no separate chair of this Board  
15   Member item. So it will only be up to the Board Chair  
16   to decide whether to put it on the publicly-noticed  
17   agenda or not. And so in that sense, it may also be  
18   more conducive to quicker action.

19          And then another sort of item not to overlook  
20   is procedures already exist for this. Ms. Lieber had  
21   brought up some procedures to better define what kind of  
22   legislation, and at what point the legislation could be  
23   brought before the Board. And those policies already  
24   exist, so that that change has been made to the  
25   Governance Policy. So that exists already. And you

1       could work within that framework.

2               So those are some things to consider.

3               I guess the final thing that I might say at  
4       this point is between the name of committee and Work  
5       Group, I would strongly recommend that you keep it as a  
6       Work Group or a sub Work Group.

7               And that's because back when the Board voted  
8       to go to this Work Group structure, one of the reasons  
9       why the Board voted against -- voted to do away with  
10       committees is because of 102, AB 102. And so that  
11       raised a host of issues.

12              And I think the Board was very careful, as  
13       your Board has been, to not just violate -- be careful  
14       not to violate AB 102, but also to avoid the appearance  
15       of coming anywhere close to violating AB 102.

16              And that nomenclature committee harkens back  
17       to a period where, you know, the Legislature had said  
18       Board Members, at that time, could not do certain  
19       things.

20              So I think that is also a consideration.

21              MR. GAINES: Okay.

22              Just to clarify, because Member Vazquez, he's  
23       proposing a Work Group, right?

24              MR. MOON: Yes.

25              MR. GAINES: Which we've done in the past.

1 And that's consistent with how we should be operating,  
2 at least in the way I look at it.

3 He brings up the description of standing  
4 committee. Will we have the same flexibility in a Work  
5 Group that was not considered a standing committee?

6 MR. MOON: So part of the issue is that  
7 there's -- there are no separate rules or consideration  
8 for a standing Work Group --

9 MR. GAINES: Okay.

10 MR. MOON: -- in the charter. And so that  
11 would have to be built out.

12 MR. GAINES: Okay.

13 MR. MOON: Exactly what flexibility you want  
14 to build in, what you want that to look like.

15 But I think the alternative is to -- is for  
16 the legislative items to remain on the Board Member  
17 Matters items.

18 MR. GAINES: Okay.

19 MR. MOON: And I think, as I look through  
20 Mr. Vazquez' letter, I think the same goals could be  
21 accomplished with the existing Board Member Matters part  
22 of the agenda.

23 So another sort of thing that you may want to  
24 consider is what advantages might a standing Work Group  
25 have over what you have already, and how you've been

1 working through it already.

2 Especially considering that some procedures  
3 have already been set for the Board Member Matters.

4 MR. GAINES: Okay.

5 Well, I'm wondering if maybe we could amend  
6 it.

7 Yes, Vice Chair Lieber.

8 And then Member Vazquez.

9 MS. LIEBER: Thank you for the input,  
10 Mr. Moon.

11 And I wonder if we might possibly bring back  
12 an item to look at the language in the charter that  
13 deals with Work Groups, and see what room there is to  
14 work with there.

15 And thank you to staff for -- we should all  
16 have one of these that are in place.

17 MR. GAINES: Yes.

18 MS. LIEBER: To talk about what we've already  
19 adopted in terms of -- in terms of the legislation that  
20 we consider.

21 And maybe we could have that be a part of  
22 our -- if we could possibly bring that back in July. If  
23 there's room in that agenda to talk about -- to review  
24 the structure of what we have in the charter.

25 And also to more fully consider the -- what

1 we've already just adopted in terms of our own  
2 Governance Policy last month, if that would be  
3 acceptable to folks.

4 MR. GAINES: Sure. I like that.

5 MR. VAZQUEZ: I'm good with that.

6 You know, I was just trying to address the  
7 issue that was raised --

8 MR. GAINES: Yes.

9 MR. VAZQUEZ: -- about committees, and didn't  
10 want to get caught up with -- Mr. Moon was talking about  
11 specifically, you know, us getting caught up in this  
12 whole AB 102 situation. That's why I was looking at it,  
13 calling it basically a Work Group, and that we would all  
14 be involved.

15 Because it sounds like there's interest from  
16 more than two Members on this Board. Which then you get  
17 into the whole Bagley-Keene, if you were to set up a  
18 separate, whether it's a committee or Work Group.

19 MR. GAINES: Yeah.

20 MR. VAZQUEZ: That's why I kind of thought of  
21 it as a Work Group as a whole.

22 MR. GAINES: Sure.

23 MR. VAZQUEZ: So we all get to participate and  
24 move whatever item it is, or to stay on top of this  
25 legislation.

1           And the other issue I think Member Schaefer  
2   brought up is that, you know, working through a  
3   committee with Ted -- and I brought this thing up before  
4   Ted. And actually our Executive Director was part of  
5   that discussion. I got in kind of a pickle. Because,  
6   technically, we can't be directing her staff. We can  
7   only direct the Executive Director.

8           MR. GAINES: Right. That's right.

9           MR. VAZQUEZ: That's why I was trying to avoid  
10   that as well.

11          MR. GAINES: Yes.

12          MR. VAZQUEZ: And I thought this, you know,  
13   would be, you know, something that we would take  
14   responsibilities for.

15          MR. GAINES: Yes.

16          MR. VAZQUEZ: One on the minutes and  
17   everything, reports, and everything else that comes out  
18   of it, letters, and everything that can be generated  
19   would be done by the Work Group as a whole. That's all.

20          MR. GAINES: Yes. Wonderful.

21          Vice Chair Lieber.

22          MS. LIEBER: Thank you, Mr. Chair.

23           And I'd like to suggest when we bring it back  
24   next month, that we consider a time limit, say, through  
25   the end of 2026 to consider a Work Group of a standing

1     Work Group.

2                 So that we're going to have brand new Board  
3     Members after that point in time. And if we have a  
4     structure that maybe isn't performing as well as we  
5     would like, it would be good to give them a fresh slate  
6     to look at things.

7                 MR. GAINES: Mm-hm.

8                 MS. LIEBER: So if he could bring that back in  
9     July, I think that would be a good move.

10                Thank you.

11                MR. GAINES: I agree.

12                And Deputy Controller.

13                MR. EMRAN: Thank you.

14                I want to thank you all for the spirited  
15     discussion.

16                So my understanding, Mr. Moon, is that it is  
17     now violation is not against the law to bring a  
18     standing -- to bring a committee, a Legislative  
19     Committee to the Board.

20                So my recommendation for the next month is to  
21     also have two proposals, one for the Work Group, what a  
22     Legislative Work Group will look like, and also what  
23     would a Legislative Committee look like.

24                And I appreciate Mr. Vazquez and his staff for  
25     working on this. I believe we're close to a proposal.



1           But to see both, because this is big, and this  
2   is going to change the Board direction in the future.  
3   And we've been working hard the past two, three years on  
4   legislation. And we've been having legislators come,  
5   thanks to our Board Members. We've been sponsoring  
6   bills, we've been supporting bills.

7           So I just want to see that nobody is going to  
8   be exed out of this process. And that we have  
9   Ted Angelo here, and we can use his resources and his  
10   support, and yours as well.

11           So if we could look at both a Work Group and  
12   how that structure looks like, and also a committee.

13           And, Mr. Vazquez, I'm happy to work with you  
14   and the Chair on bringing this forward. Because I think  
15   we're all stronger together.

16           Thank you.

17           MR. GAINES: Okay.

18           Now that raises a question though.

19           In terms of if we do have a separate standing  
20   committee, that isn't part of the full Board, do we have  
21   access to Mr. Angelo on bill analysis?

22           MS. LIEBER: No.

23           MR. GAINES: I don't think we do. And then  
24   that puts it back on us. And it's like, I don't want to  
25   do a bill analysis. I have no expertise.

1           And so I like the structure that's been  
2   included here by Vice Chair Lieber. Because at least we  
3   have a lot more structure than we did six months ago, or  
4   four months ago.

5           So I think that's a good building block. And  
6   I'm open to discussing two pathways, and taking a look  
7   at those, and moving forward at our next meeting. I  
8   don't have a problem with that.

9           But I just want to know where the labor --

10          MS. STOWERS: Let me --

11          MR. GAINES: -- is going to come from, that  
12   you kind of help us out with this, your expertise.

13          MS. STOWERS: Yes.

14          I understand your concerns, sir.

15          And I understand what you're saying,  
16   Deputy Emran.

17          Let me make some clarification, and then I can  
18   get an understanding of what the assignment is.

19          Member Vazquez, when you talked about a  
20   standing Legislative Work Group, you did put in the word  
21   "committee."

22          And when you're saying "committee," who do you  
23   see as the committee members? The Board Members?

24          MR. VAZQUEZ: The Board Members.

25          MS. STOWERS: Okay. So you're not looking to

1       involve agency staff?

2               MR. VAZQUEZ:   No.

3               MS. STOWERS:   Okay.  I just want to be clear.

4       Because that would be --

5               MR. VAZQUEZ:   That was the problem.

6               MS. STOWERS:   That was the problem in the  
7       past.

8               MR. VAZQUEZ:   Yeah.

9               MS. STOWERS:   And, Ms. Lieber, you're saying a  
10       standing Legislative Work Group, or continue -- or  
11       Mr. Moon brought up, you know, just continue as we're  
12       currently doing, but have it as a Board Member Matter  
13       Legislative.

14               Or maybe I'm jumping ahead.  It may be three  
15       possible ways to do this.

16               MS. LIEBER:   If I could clarify.

17               If we're posting different options, I would  
18       love to have the current process.  Which I believe does  
19       work the best with the changes to our Governance Policy  
20       as a part of that.

21               I'm not interested in the clunkiness of a  
22       committee.  I -- so my first choice would be to leave  
23       the process as it is.  We're each open to bringing up  
24       bills that meet the needs of our constituents.  And  
25       knowing that we have this additional --

1 MR. GAINES: Yes.

2 MS. LIEBER: Precautions to the Governance  
3 Policy --

4 MR. GAINES: Right.

5 MS. LIEBER: -- that we have already adopted,  
6 that I think solved the problem that was coming up.

7 And then my second choice would be a standing  
8 Work Group that is only through the end of 2026.

9 And then, you know, a very distant third would  
10 be to have a committee. I don't think that offers us  
11 any -- any benefit. But it -- it does raise  
12 complications, questions.

13 Well, if we're a committee, why can't we use  
14 staff resources? AB 102, etc. And then we continue to  
15 be mired in that situation.

16 And I think we've had a lot of discussion on  
17 the dais this year about what's the difference between  
18 the bills that we take a position on, and those that the  
19 agency is taking a position on. And when will bills be  
20 tracked or not be tracked.

21 And I think the current process with the new  
22 additions to the Governance Policy are probably the best  
23 for allowing us to move without a lot of constraints  
24 that are not well taken that impact our effectiveness  
25 and our timeliness. Which is critically important with

1     legislation.

2                 But I would be more than willing to have an  
3     item to look at our -- our charter. And to really  
4     digest the changes that we've already made to the  
5     Governance Policy next month.

6                 And I don't know if we need a motion to refer  
7     that.

8                 MR. GAINES: Would you like a motion?

9                 MS. STOWERS: We -- you already have a motion  
10    on the floor. So you might want to take care of that  
11    motion.

12                And then for this one, I would like to have a  
13    motion. Because I want to make sure that the desires of  
14    all Members have been heard, and I understand the  
15    assignment.

16                MR. GAINES: Okay.

17                Just a thought, because we have a motion and a  
18    second. My thinking was maybe we could adjust that  
19    motion for a review of the proposal. And then hopefully  
20    we can get support, and that we would move forward with  
21    the Deputy Controller's proposal.

22                MR. EMRAN: Yes.

23                And just to be clear, Mr. Chairman, it would  
24    be a Legislative Committee like BOE 1.0.

25                MS. STOWERS: It would be?

1               MR. EMRAN: I want to at least analyze it and  
2 look at it.

3               MS. STOWERS: Okay.

4               MR. EMRAN: And the guise of AB 102.

5               Because my understanding is that was when the  
6 Board was working at a very efficient and rapid pace.  
7 And we were all working in unison together.

8               So I just want to at least take a look at that  
9 too, what a BOE 1.0 Legislative Committee would look  
10 like.

11              Thank you.

12              MS. STOWERS: Okay. So --

13              MR. EMRAN: In a 2.0 format.

14              MS. STOWERS: So that -- I think that's four.  
15 Perhaps I am trying to include everyone here.

16              MR. GAINES: I think it's the same proposal --  
17 I don't want to put words in your mouth, Deputy  
18 Controller.

19              But basically it's your proposal in 2.0, and  
20 let's compare and contrast that to 1.0?

21              MR. EMRAN: Yes.

22              MS. STOWERS: So it would be showing the  
23 framework of the Legislative Work Group Committee under  
24 the same framework that we had prior to AB-102.

25              MR. EMRAN: Correct.

1           And how that can move forward. And we can add  
2   and subtract. But that's what I'm looking for, bringing  
3   back committees in its entirety.

4           MS. STOWERS: In that structure.

5           Okay. And then working backwards, it would be  
6   a Legislative Work Group Committee that Mr. Vazquez is  
7   suggesting that would not include agency staff. But it  
8   would include a Chair and a Vice Chair, and kind of  
9   follow what's in your letter.

10          MR. VAZQUEZ: Yes.

11          MR. GAINES: Now, to clarify, would that be a  
12   standing committee? Or are we gonna --

13          MR. VAZQUEZ: You can call it a Committee Work  
14   Group. I called it a DBA Work Group just to get away  
15   from the legal issues that's being raised.

16          MR. GAINES: Let's do Work Group. Work Group,  
17   because we have agreement on that.

18          MS. STOWERS: Okay. So then a standing  
19   Legislative Work Group.

20          MR. VAZQUEZ: Work Group.

21          MS. STOWERS: Okay. We scratch that. Okay.

22          MR. GAINES: So should we amend that motion  
23   that clarified the Work Group issue? And that it's  
24   going to be reviewed and compared at our next meeting in  
25   July?

1 MS. STOWERS: Legal is saying first rescind  
2 your first motion.

3 MR. GAINES: Okay.

4 MS. STOWERS: You can rescind it by -- someone  
5 can remove their second.

6 MR. GAINES: Is that all right?

7 MS. STOWERS: Or withdraw your motion.

8 MR. VAZQUEZ: We were just talking about  
9 amending it, if anything.

10 MS. STOWERS: Oh, so you want to keep your  
11 motion?

12 MR. VAZQUEZ: Keep it. Yeah. Let's move it  
13 forward.

14 And I don't mind incorporating some of the  
15 suggestions that were tossed out here, you know, to --  
16 so when we bring it, because we're basically looking to  
17 bring this thing back in July.

18 MS. STOWERS: Your -- but your -- excuse me,  
19 sir. But your first motion was to move forward with the  
20 Legislative Work Group.

21 MR. VAZQUEZ: Work Group.

22 MS. STOWERS: Yeah.

23 But I think now we're talking about bringing  
24 it back in July, and showing you various options and how  
25 it would look.



1 MR. EMRAN: Correct.

2 MR. VAZQUEZ: I mean, I would love to see us  
3 move forward with this thing, the concept of the Work  
4 Group. But if there's not support for it, then we  
5 can -- we'll amend it.

6 MS. STOWERS: It's totally up to you guys.

7 MR. GAINES: Why don't we amend --

8 MR. VAZQUEZ: That's what I'm throwing --

9 MR. GAINES: Yeah. Let's just amend the  
10 motion.

11 MR. VAZQUEZ: What would you propose?

12 MR. GAINES: That it would -- we'd recommend  
13 that the Work Group be reviewed with other options --  
14 with other options.

15 And then we can do a second motion. Or if you  
16 want to --

17 MR. VAZQUEZ: Well, no. I'm good with that.

18 MR. GAINES: If you want to include all three  
19 options in the motion.

20 MR. VAZQUEZ: I'm good with that if you want  
21 to just add that to it.

22 MR. GAINES: Okay.

23 MS. HIMOVITZ: If I may. I'm sorry.

24 MR. GAINES: Yes. Julia.

25 MS. HIMOVITZ: Julia Himovitz on behalf of the

1       Legal Department.

2               So what I'm hearing are two very different --  
3       actually more than two different ideas moving down a  
4       path.

5               Member Vazquez made a specific motion,  
6       Ms. Lieber seconded. And that has been sort of standing  
7       out there.

8               Now we have another proposal that is different  
9       than the current motion.

10              My recommendation is either to withdraw this  
11       motion and plan. Because it sounds like what you're  
12       asking is more of an exploration of options to analyze  
13       the proposal that you've put forward. And it sounds  
14       like you're also requesting analyzing a separate path.

15              And so I understand you want to move this  
16       forward with a motion. But it might be cleaner if  
17       there's just more -- if we withdraw that first motion  
18       and the second, and we have a direction to the Executive  
19       Director to analyze this and bring it back in July.

20              MR. GAINES: Okay.

21              MS. HIMOVITZ: If that makes sense.

22              MR. GAINES: All right.

23              Yes. Vice Chair Lieber.

24              MS. LIEBER: Thank you.

25              Just to get more into this. So my

1 understanding of the motion is that we asked for the  
2 concept of a standing Board Work Group to come back, and  
3 that we'd be presented with information about the  
4 charter, and how a standing Board Work Group would fit  
5 with the charter.

6 MR. VAZQUEZ: From the charter.

7 MS. LIEBER: And that we would also have the  
8 information that has been presented to us here on the  
9 dais about the governance changes to be a part of that.

10 And I think inherent in our discussion of the  
11 charter would potentially be what is the difference  
12 between a Work Group and a committee.

13 And we've had mentions of, well, how do we go  
14 back to BOE 1.0? And I don't think that's a preferable  
15 thing to do, either here for us, or for our reputation  
16 in the Legislature. I just don't think that's a wise  
17 move.

18 MR. GAINES: Could I clarify?

19 MS. LIEBER: But obviously I do very much  
20 support looking at our charter.

21 MR. GAINES: Yes.

22 I just want to clarify. Because I think -- I  
23 think the request was to, under the context of BOE 2.0,  
24 what would a standing committee look like.

25 MR. EMRAN: I'm hesitant on "standing." I'm

1 just looking for a Legislative Committee.

2 MR. GAINES: Or Legislative Committee.

3 MR. EMRAN: Correct. Correct.

4 All we're trying to do here is just do  
5 research, information gathering. It's been six, seven  
6 years. And the proposal, to look at it, can it still  
7 function the way that we want it to?

8 Because if we're only having a work group,  
9 then we're leaving certain parts of this agency out,  
10 we're leaving other people out. And it's the most  
11 unified way of going forward. Especially if we're going  
12 to be really, really honing in on legislation in the  
13 future.

14 And from my understanding, Mr. Moon, you're  
15 not telling me that it's a violation of AB 102. And if  
16 it is, you can come back next month and tell us.

17 MR. MOON: Yes.

18 If I can just ask a clarifying question.

19 Is there something about the existing Board  
20 Member Matter items that you feel is not meeting your  
21 needs in terms of wanting to look at particular  
22 legislation, or is that what you're asking us to look at  
23 to see if there would be a difference between the  
24 existing Board Member Matter items, and something like a  
25 2.0 Legislative Committee?

1           MR. EMRAN: Yes, a reformed 2.0 Legislative  
2 Committee.

3           MR. MOON: Okay. And you're asking us also  
4 what reforms would be necessary?

5           MR. EMRAN: Correct.

6           MR. MOON: Okay. Thank you.

7           MR. EMRAN: Appreciate it.

8           MR. GAINES: So do we have clarity? I  
9 think -- I think we do.

10          MR. MOON: Yes, I believe so. I think what's  
11 left is for you to make the motion and --

12          MR. GAINES: All right.

13          So we have -- can we repeat the motion for  
14 clarity?

15          MR. VAZQUEZ: So let me see. Because there  
16 was a little bit of a change.

17          So my original motion was to -- that we would  
18 place this proposal in a motion for your consideration  
19 and discussion, and to move this thing forward as a Work  
20 Group.

21          And Vice Chair Lieber, I think, added that  
22 this would all come back to us in July for final vote.

23          Now the Deputy Controller, I think, is asking  
24 for something a little bit different on the committee  
25 side. And maybe we should just handle that separately,

1 and maybe do a second motion on that, that would have  
2 his be addressed by staff. And then have them come  
3 back. So both of them would be coming back. And this  
4 way we can weigh out what makes sense legally, what fits  
5 within the governance. And then we'll make the final  
6 decision in July.

7 MR. EMRAN: I think it all -- I think it all  
8 can be together. I think it all can be together as  
9 three options, three separate options that we can all  
10 take a look at under one vote, personally.

11 MR. MOON: Yep. We can do it whatever way is  
12 the Board's pleasure.

13 MR. EMRAN: So we can bring it back as one  
14 item in July?

15 MR. MOON: Yes, as options, or we can split  
16 them up. It's really up to you.

17 MR. VAZQUEZ: Oh, I was hearing from staff  
18 that maybe we couldn't. So you're saying we could  
19 include it?

20 In other words, we have one motion that's  
21 going to move forward. You're saying there's no need to  
22 have a separate motion to address the committees?

23 MR. MOON: Yeah. I'm sorry if I was  
24 confusing.

25 So if the motion is that you would like us to

1 bring back three or four options that you had talked  
2 about, we can do that all as one.

3 If the motion is to move the recommendations  
4 that you put forth in your letter, and also do the  
5 analysis, then we should do those separately.

6 And, in fact, I think the first motion that  
7 says to put the legislative work group forward, to go  
8 ahead and do that, should probably be withdrawn so that  
9 the analysis can be presented to you, and you can make a  
10 decision based on the entire analysis.

11 MR. GAINES: So could I take a stab at it?

12 MR. VAZQUEZ: Go ahead. Go ahead. Sure.

13 MR. GAINES: So I'd like to make a motion that  
14 staff would review the Board Legislative Work Group as  
15 proposed by Member Vazquez.

16 That we would review the proposal by Deputy  
17 Controller Emran. Which would reflect a separate  
18 legislative committee, similar to what was in place  
19 prior to when AB 102, but would live within the  
20 restraints of AB 102.

21 And that we would take a look at the charter  
22 to see what changes would have to be made to the charter  
23 in order to proceed with a standing Work Group.

24 MR. VAZQUEZ: Standing Work Group.

25 MR. GAINES: And then we would compare that to

1 the changes just recently made on April 29th through the  
2 governance -- Board Governance Policy as presented by  
3 Vice Chair Lieber.

4 MS. LIEBER: Clarification.

5 MR. GAINES: Yeah.

6 MS. LIEBER: So I would envision staying with  
7 what we have as the third option. Because we've already  
8 adopted the governance changes.

9 MR. GAINES: Oh, okay. Okay.

10 MS. LIEBER: So they're not really an option  
11 unless we brought them back up and rejected them.

12 MR. GAINES: That's true.

13 MS. LIEBER: At this point, we've already  
14 voted on them.

15 MR. GAINES: That could be kind of our  
16 foundational.

17 MS. LIEBER: So the third option could be just  
18 staying with what we have.

19 MR. GAINES: Yeah. Okay.

20 MR. EMRAN: That would be the fourth option,  
21 correct?

22 MR. GAINES: Fourth, if we're looking at the  
23 charter too. Because we'd have the charter, we'd have  
24 your proposal, and Tony's.

25 MS. LIEBER: Well, I think the charter already



1 exists in the same sense that our Governance Policies  
2 exist.

3 MR. GAINES: Okay. Okay.

4 MS. LIEBER: So we would be looking at three  
5 options that would be informed by our charter and our  
6 Governance Policy. And the three options would be a  
7 Board Work Group that would be a standing -- a standing  
8 Board Work Group that would exist through the end of  
9 2026.

10 A standing committee, or sticking with our  
11 current Board Member Matters.

12 MR. GAINES: Okay.

13 And let me clarify. When you say "standing  
14 committee," are you referencing Legislative Committee?

15 MS. LIEBER: Yes. Yes.

16 MR. GAINES: Yes. Okay.

17 Is that clear?

18 MR. MOON: Yeah.

19 So If I could take a stab.

20 MR. GAINES: Okay.

21 MS. LIEBER: Yes. Everybody else can.

22 MR. MOON: So what I understand the motion to  
23 be is that -- what you would like brought back before  
24 you is an analysis of -- not necessarily in this  
25 order -- but a Board Legislative Standing Work Group.

1           And within that analysis, we would necessarily  
2   have to look at the charter --

3           MR. GAINES: Right.

4           MR. MOON: -- to see what perhaps changes  
5   might be necessary or might be advisable.

6           The second thing would be to review the  
7   Legislative Committee structure to see what changes  
8   would be necessary to make it compatible to BOE 2.0.

9           And then finally, the third option is to  
10   consider the Board Member Matters items with the recent  
11   Governance Policy changes, and see what advantage or  
12   disadvantages that existing policy may have, as compared  
13   to the other two potential options.

14          MR. GAINES: So moved?

15          Or who wants to -- whoever wants to make the  
16   motion --

17          MR. VAZQUEZ: I'm good. I'll move it.

18          MR. GAINES: Okay. So we have a motion --

19          MR. VAZQUEZ: So we'll drop --

20          MR. GAINES: And we have a second. Okay.

21          MR. MOON: Yeah. I think the first one needs  
22   to be withdrawn, and then the second one.

23          MR. GAINES: Okay.

24          MS. LIEBER: I'll withdraw my second of the  
25   previous motion.

1           MR. VAZQUEZ: And then I'll move the second,  
2   the recommendation we came up with, which gives you  
3   basically three options to come back with.

4           MR. GAINES: Okay.

5           MS. LIEBER: And you can go ahead and withdraw  
6   your --

7           MR. VAZQUEZ: Yeah. I'll withdraw my original  
8   motion.

9           MR. GAINES: Okay. So we have a new motion by  
10   Member Vazquez, seconded by Member Lieber.

11           And hopefully there's clarity on that motion  
12   for staff.

13           And why don't we -- we certainly don't have  
14   any written comments.

15           Do we have anybody in the audience?

16           Okay. So let's go to the AT&T moderator.

17           And is there anybody that wants to speak to  
18   this issue?

19           AT&T MODERATOR: If you have any comments on  
20   this -- on Item 7, please press one, then zero.

21           Again, if you have any comments on Item 7,  
22   press one, then zero.

23           MR. GAINES: Okay. Thank you, moderator.

24           Member Vazquez and Vice Chair Lieber have made  
25   a motion and a second.

1           Ms. Cichetti, please call the roll.  
2           MS. CICHETTI:  Chairman Gaines.  
3           MR. GAINES:  Aye.  
4           MS. CICHETTI:  Vice Chair Lieber.  
5           MS. LIEBER:  Aye.  
6           MS. CICHETTI:  Member Vazquez.  
7           MR. VAZQUEZ:  Aye.  
8           MS. CICHETTI:  Member Schaefer.  
9           MR. SCHAEFER:  Aye.  
10          MS. CICHETTI:  Deputy Controller Emran.  
11          MR. EMRAN:  Aye.  
12          MR. GAINES:  All right.  The motion passes.  
13          Thank you.  We got through that.  
14          And is this the right time to take a break?  
15          (Whereupon Item 7 concluded.)  
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REPORTER'S CERTIFICATE

State of California        )  
                                  )  ss  
County of Sacramento     )

I, Jillian Sumner, Hearing Reporter for the  
California State Board of Equalization, certify that on  
June 18, 2025, I recorded verbatim, in shorthand, to the  
best of my ability, the proceedings in the  
above-entitled hearing; that I transcribed the shorthand  
writing into typewriting; and that the preceding  
pages 1 through 41 constitute a complete and accurate  
transcription of the shorthand writing.

Dated: July 1st, 2025

  
\_\_\_\_\_  
JILLIAN SUMNER, CSR #13619  
Hearing Reporter