



**2013-14**

## **Summary of Governor's Vetoes**

**June 27, 2013**

**Bob, Blumenfield**

Chair, Assembly Budget Committee



On June 27, 2013, Governor Brown signed AB 110, the 2013-14 Budget Act. The Governor made 25 vetoes and signing statements. Most of these vetoes involved language provisions and special funds, so the overall General Fund expenditure level for 2013-14 remains unchanged at \$96.28 billion, the level provided for in conference committee. This document provides a summary of all of the vetoes and signing messages for AB 110.

This document details each of the vetoes, by department.

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## K-12 EDUCATION

### Proposition 98 (General Fund)

- **Special Education.** Cuts \$30 million dedicated to equalizing the special education base funding formula. According to the Administration, the proposed equalization of special education funding, when phased in, would have ongoing costs in excess of \$300 million. This would reduce available resources to pay off deferrals and to implement the flexible Local Control Funding Formula.
- **California Collaborative for Educational Excellence.** Sustains \$10 million for the California Collaborative for Educational Excellence (CCEE), created under the Local Control Funding Formula. According to the Administration, although the Budget creates this entity to provide critical assistance to local education agencies, additional work is necessary to properly define its governance composition and ongoing role within the accountability structure of the Local Control Funding Formula. Further, it is the expectation of the Governor that subsequent legislation be enacted this year to define the governance roles and responsibilities for CCEE through an agreed upon plan by the Department of Education, the State Board of Education, and the Department of Finance.
- **Special Secondary Programs.** Sustains \$4.9 million for Special Secondary Programs for the budget year but notes that the Administration will examine whether funding should continue as a separate categorical program in the future given the new Local Control Funding Formula.
- **Agricultural Career Technical Education Incentive Program.** Sustains \$4.1 million for this program in the budget year but notes that the Administration will examine whether funding should continue as a separate categorical program in the future given the new Local Control Funding Formula.

### Preschool

- **Preschool Slots.** Reduces, by \$5 million, the \$30 million additional investment in preschool slots to \$25 million in new slots. This will equalize the investment in new preschool slots with the \$25 million of additional child care and development slot expansion contained in this budget. Despite the veto, the 2013-14 contains the most significant increase in Early Care and Education investment in nearly a decade, with a total of \$50 million in new slots in both programs sustained in this budget.

- **Preschool Planning.** Eliminates a budget bill provision, which would have required the Department of Education to create a preschool plan in anticipation of expanded federal funds to expand existing preschool. The Legislature also adopted a similar reporting requirement in Supplemental Reporting Language, so a similar plan will be developed by the Department of Education despite this veto.

### **Federal Funding**

- **Parent Notification and Translations.** Eliminates \$225,000 in one-time federal Title III funds for the translation of parent notifications and templates. According to the Administration, these funds are unnecessary as high priority translations have already been completed, and the remaining workload is not critical and can be absorbed by the Department.

## HIGHER EDUCATION

### University of California

- **University of California Statewide Priorities.** Deletes provisions 6, 8, 10, 11, 12, 13, 14, 15, and 16 in Item 6440-001-0001, which provided direction to the University of California on expending state funds. These provisions included requiring that \$10 million be spent on expanding courses through the use of technology, requiring the UC to enroll at least 211,499 students in 2013-14, and funding for nursing programs, AIDS research and student outreach efforts. The Governor states that eliminating these provisions will give the University more flexibility to manage its resources.
- **University of California Capital Outlay.** Deletes Item 6440-301-0658, which provides \$375,000 in General Obligation Bond Funding for the equipment phase of the UC Merced Science and Engineering Building 2 project. The funding for this item was also included in the higher education trailer bill and therefore this veto is a technical correction. The project will be funded.

### California State University

- **California State University Statewide Priorities.** Deletes provisions 5, 8, 9, 10, 11, 12 in Item 6610-001-0001, which provided direction to California State University on expending state funds. These provisions included requiring that \$10 million be spent on expanding courses through the use of technology, requiring CSU to enroll at least 342,000 students in 2013-14, and funding for nursing programs and student outreach efforts. The Governor states that eliminating these provisions will give the University more flexibility to manage its resources.

### Student Aid Commission

- **California Student Aid Commission.** Deletes Provision 4 from Item 6980-101-0890, which allowed for state funding of the federal College Access Challenge Grant funds if federal funding was not provided. The Governor states that the state funding source in this provision – the Special Fund for Economic Uncertainties – should only be used for critical needs, emergencies and legal obligations, and that the administration anticipates continued federal funding for this program.

## RESOURCES AND ENVIRONMENTAL PROTECTION

### California Coastal Commission

- **Local Coastal Plans.** Reduced the two-year, legislative augmentation of \$3,000,000 for the California Coastal Commission to address the current backlog of Local Coastal Plans awaiting review to a one-time basis.

### Department of Water Resources

- **American River Water Information System.** Vetoes the legislative augmentation of \$653,000 for the American River Water Information System.
- **Salton Sea Local Assistance.** Vetoes the legislative augmentation of \$3,000,000 Salton Sea Restoration Fund for extension of the Salton Sea Financial Assistance Program.

### Department of Pesticide Regulation

- **Pesticide Programs.** Reduces the legislative augmentation of \$633,000 Department of Pesticide Regulation Fund and 5 positions to increase enforcement of state pesticide regulations by \$250,000 and 2 positions.
- **Risk Assessments.** Vetoes a provision, which requires the Department of Pesticide Regulation to conduct a minimum of 5 risk assessments annually.

### State Water Resources Control Board

- **Irrigated Lands Program.** Reduces the legislative augmentation of \$969,000 and 7 positions to increase enforcement under the Irrigated Lands Program by \$319,000 and 2 positions.

## TRANSPORTATION

### Transportation

- **Complete Street Program.** Eliminates \$480,000 and five positions responsible for the Complete Streets Program. The veto eliminates the program. In the veto message, the Governor argues that in the recent zero-based budget review of Caltrans' planning program found that this program was no longer needed. However, the Administration did sustain local planning staff and funding to administer active transportation activities, like bicycle programs administration that had been proposed for elimination in the Governor's budget.

## STATE ADMINISTRATION

### Department of Consumer Affairs

- **Veterinary Medical Board.** Reduces the Veterinary Medical Board enforcement program's budget by \$359,000 (from \$3,530,000 to \$3,171,000) and deletes five enforcement program positions. The Legislature increased resources beyond the Administration's proposal to reduce case processing time.

### Franchise Tax Board

- **Withdrawal from Multi-State Tax Commission Reduction.** Reduces by \$270,000, the Franchise Tax Board's budget consistent with the legislative action to withdraw from the Multi-State Tax Commission. The reduction was inadvertently left out of the final version of the Budget Bill.

**PUBLIC SAFETY****Judicial Branch**

- **Judicial Branch Transparency.** Deletes a provision in the Judicial Branch's budget requiring the Judicial Council to develop and adopt a set of rules for granting public access to meetings.

**California Department of Corrections and Rehabilitation**

- **Department of Justice Legal Costs.** Deletes a provision in the California Department of Corrections and Rehabilitation's (CDCR) budget requiring the CDCR to report to the Legislature on cost containment efforts and cost drivers for legal services provided by the Department of Justice.
- **Parolee Literacy Referrals.** Deletes a provision in the CDCR's budget requiring parole agents to refer parolees to state-funded adult literacy programs based on a needs assessment.

**Board of State and Community Corrections**

- **Juvenile Justice Research Position at the Board of State and Community Corrections.** Deletes a provision in the Board of State and Community Corrections' budget requiring one research position to be dedicated to juvenile justice research.