



Gavin Newsom ■ Governor

1021 O Street, Suite 3110 ■ Sacramento CA 95814 ■ www.dof.ca.gov

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Eliminate Budget Bill Item 3125-101-0001, Local Assistance, California Tahoe Conservancy

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Nature-Based Solutions)—It is requested that Item 3125-101-0001 be eliminated to reflect the reduction of \$8,375,000 of funding for conservancy nature-based solutions projects. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Jason Vasques, Executive Director, California Tahoe Conservancy
Jane Freeman, Deputy Director, California Tahoe Conservancy
Brent Coe, Director of Administration and Information Technology, California Tahoe
Conservancy

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 3340-001-0001, Eliminate Item 3340-002-0001, and Addition of Budget Bill Item 3340-496, Support, California Conservation Corps

Implementation of New Fire Fighter Personal Protective Equipment Regulations—It is requested that Item 3340-001-0001 be increased by \$1,123,000 in 2023-24, \$841,000 ongoing, and one position to provide the resources necessary to comply with revisions made to the California Code of Regulations, Title 8, Article 10.1 Safety Orders: Personal Protective Clothing and Equipment for Fire Fighters.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Nature-Based Solutions – Local Corps)—It is requested that Item 3340-002-0001 be eliminated in 2023-24. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Technical Adjustment to Shift the Reversion of 2022 Balances (Nature-Based Solutions – Local Corps)—It is requested that Item 3340-496 be added to revert the unexpended balance of appropriations made in the 2022 Budget Act. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department/agency level by shifting the reversions from the statewide control section to the applicable departmental budget. To effectuate this change, it is requested that Item 3340-496 be added (see Attachment 1).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

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Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Bruce Saito, Director, California Conservation Corps
Dawne Bortolazzo, Chief, Administrative Division, California Conservation Corps
Sui Lim, Budget Officer, California Conservation Corps

3340-496—Reversion, California Conservation Corps. As of June 30, 2023, the balances specified below of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

1. \$12,500,000 the amount appropriated for Local Nature-Based Solutions Corps in Item 3340-002-0001 of the Budget Act of 2022 (Chs. 43 and 249, Stats. of 2022).

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment of Budget Bill Item 3340-490, Capital Outlay, California Conservation Corps

Residential Center, Auberry: New Residential Center, Reappropriation—It is requested that Item 3340-490, as added by the April Finance Letter, be amended to reappropriate the unencumbered balance of the appropriation provided in Item 3340-301-0001, Budget Act of 2021, for the working drawings phase of the Residential Center, Auberry: New Residential Center project. Due to a shift in design related to accommodating fire crews, the California Conservation Corps will not be able to complete preliminary plans for approval until July 2023 at the earliest and will therefore need additional time to begin the working drawings phase (see Attachment 1).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
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/s/ Erika Li

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Chief Deputy Director

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Bruce Saito, Director, California Conservation Corps
Dawne Bortolazzo, Deputy Director, Administrative Services, California Conservation Corps
Sui Lim, Budget Officer, California Conservation Corps

Amend item 3340-490 as follows:

"3340-490 – Reappropriation, California Conservation Corps. The balances of the appropriations provided in the following citations ~~is~~ are reappropriated for the purposes provided ~~for in the~~ those appropriations and shall be available for expenditure or encumbrance until June 30, 2024:

0001 – General Fund

- (1) Item 3340-301-0001, Budget Act of 2021 (Chs. 43 and 240, Stats. 2021)
 - (1) 0001375 – Residential Center, Auberry: New Residential Center
 - (b) Working Drawings
 - (2) 0001376 – Residential Center, Los Pinos: New Residential Center
 - (b) Working Drawings"

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 3355-001-0462 and 3355-001-3302, Support, Office of Energy Infrastructure Safety

It is requested that Item 3355-001-0462 be increased by \$927,000 and 6 positions, and Item 3355-001-3302 be increased by \$278,000 and 2 positions to provide the Office of Energy Infrastructure Safety the ongoing resources necessary to transition human resources and procurement services in-house.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
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/s/ Erika Li

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Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Caroline Thomas Jacobs, Director, Office of Energy Infrastructure Safety
Melissa Semcer, Deputy Director, Office of Energy Infrastructure Safety
Tyler Morris, Chief of Administrative Services Division, Office of Energy Infrastructure Safety

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

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Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendments to and Additions of Various Budget Bill Items, Support and Local Assistance, and Statutory Changes, Energy Resources Conservation and Development Commission (California Energy Commission)

Division of Petroleum Market Oversight—It is requested that Item 3360-001-0465 be increased in the amount of \$5,861,000 and 14 positions in 2023-24 and ongoing to support the implementation of Chapter 2, Statutes of 2023, First Extraordinary Session (SB x1-2). It is also requested statutory changes be added to provide clarifications to support implementation of the legislation. Statutory changes for this proposal are forthcoming.

Energy Load Management Standards—It is requested that Item 3360-001-0465 be increased in the amount of \$373,000 and 2 positions in 2023-24 and ongoing to implement new energy load management standards adopted by the California Energy Commission.

Energy Resources Program Account (ERPA)—It is requested that statutory changes be added to amend the Revenue and Taxation Code to address the structural deficit of the California Energy Commission's main operating fund, ERPA. The language proposes to increase the surcharge cap on the fee and extend the fee to behind-the-meter ratepayers. Statutory changes for this proposal are forthcoming.

Various Reappropriations—It is requested that Item 3360-491 and 3360-492 be added to reappropriate the balances of funds from various Budget Act state operations and local assistance appropriations. These reappropriations are needed to allow the Commission to address delays resulting from COVID-19 and project completion timelines (see Attachment 1 and 2).

Opt-in Permitting Provisional Language—It is requested that provisional language be added to Item 3360-001-3062 to support unanticipated workload from the Opt-in Permitting program included in the 2022 Budget Act (see Attachment 3).

Distributed Electricity Backup Assets Provisional Language—It is requested that provisional language be added to Items 3360-008-0001 and 3360-108-0001 to enable the transferring of \$100 million of Distributed Electricity Backup Asset funds in 2023-24 to the Department of Water Resources (DWR) Electricity Supply Strategic Reliability Reserve Program for DWR to reimburse electrical corporations for the value of imported energy or import capacity products delivered or capable of being delivered between July 1, 2023, and on or before October 31, 2023 (see Attachment 4).

Reduction of 2023-24 Appropriation for ZEV Package: Drayage Trucks and Infrastructure Program—It is requested that Item 3360-001-0001 be reduced by \$300,000 in 2023-24, and Item 3360-101-0001 be reduced by \$79.7 million in 2023-24. It is also requested that Item 3360-004-0001 be reduced by \$1 million in 2023-24, and Item 3360-104-0001 be reduced by \$19 million in 2023-24 for the Drayage Trucks and Infrastructure Program. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this expenditure to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The above General Fund reductions to Drayage Trucks and Infrastructure Program are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$5 million in 2023-24, and Item 3360-101-3228 be increased by \$95 million in 2023-24.

Reduction of 2023-24 Appropriation for ZEV Package: Transit Buses and Infrastructure Program—It is requested that Item 3360-004-0001 be reduced by \$1.2 million in 2023-24, and Item 3360-104-0001 be reduced by \$22.8 million in 2023-24 for the Transit Buses and Infrastructure Program. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this expenditure to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The above General Fund reductions to Transit Buses and Infrastructure Program are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$1.2 million in 2023-24, and Item 3360-101-3228 be increased by \$22.8 million in 2023-24.

Reduction of 2023-24 Appropriation for ZEV Package: Clean Trucks, Buses and Off-Road Vehicles Program—It is requested that Item 3360-004-0001 be reduced by \$10,850,000 in 2023-24, and Item 3360-104-0001 be reduced by \$206,150,000 in 2023-24 for the Clean Trucks, Buses, and Off-Road Vehicles Program. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this expenditure to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The above General Fund reductions to the Clean Trucks, Buses and Off-Road Vehicles Program are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$10,850,000 in 2023-24, and Item 3360-101-3228 be increased by \$206,150,000 in 2023-24.

Reduction of 2023-24 Appropriation for ZEV Package: Hydrogen Infrastructure

Program—It is requested that Item 3360-004-0001 be reduced by \$1 million in 2023-24, 2024-25, and 2025-26; and Item 3360-104-0001 be reduced by \$19 million in 2023-24, 2024-25, and 2025-26 for the Hydrogen Infrastructure Program. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this expenditure to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The above General Fund reductions to the Hydrogen Infrastructure Program are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$1 million in 2023-24, 2024-25, and 2025-26 and Item 3360-101-3228 be increased by \$19 million in 2023-24, 2024-25, and 2025-26.

Technical Adjustment to Shift the Reversion of 2022 Budget Act Balance of Equitable

Building Decarbonization—It is requested that Item 3360-495 be added to revert \$50 million from the 2022 Budget Act for the Equitable Building Decarbonization Program. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget (see Attachment 5).

Technical Adjustments to Shift the Deferral of 2022 Budget Act Balance of Climate

Innovation Program—It is requested that Item 3360-495 be added to revert \$50 million from the 2022 Budget Act to reflect a deferral of funding for the Climate Innovation Program until 2026-27. It is requested Item 3360-007-0001 be increased in 2026-27 by \$5 million one-time and Item 3360-107-0001 be increased in 2026-27 by \$45 million one-time. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget (see Attachment 5).

Technical Adjustments to Shift the Reversion of 2022 Budget Act Balance of Industrial Decarbonization and Improvements to Grid Operations Program

—It is requested that Item 3360-495 be added to revert \$10 million from the 2022 Budget Act for the Industrial Decarbonization and Improvements to Grid Operations Program. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget (see Attachment 5).

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the Long Duration Storage Program

—It is requested that Item 3360-002-0001 be reduced by \$5 million, and Item 3360-102-0001 be reduced by \$45 million. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the Food

Production Investment Program—It is requested that Item 3360-002-0001 be reduced by \$1 million, and Item 3360-102-0001 be reduced by \$9 million for the Food Production Investment Program. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Deferral of 2023-24 Appropriation for the Equitable Building Decarbonization Program

—It is requested that Item 3360-002-0001 be reduced by \$32 million, and Item 3360-102-0001 be reduced by \$288 million in 2023-24 as part of a deferral in funding for the Equitable Building Decarbonization Program. It is also requested that Item 3360-002-0001 be increased by \$16 million in 2024-25, \$7.3 million in 2025-26, and \$5 million in 2026-27 and Item 3360-102-0001 be increased by \$144 million in 2024-25, \$65.7 million in 2025-26, and \$45 million in 2026-27. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the Carbon

Removal Program—It is requested that Item 3360-007-0001 be reduced by \$2.5 million, and Item 3360-107-0001 be reduced by \$22.5 million in 2023-24 for the Carbon Removal Program. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Deferral of 2023-24 Appropriation for the Climate Innovation Grants

—It is requested that Item 3360-007-0001 be reduced by \$10 million, and Item 3360-107-0001 be reduced by \$90 million in 2023-24 as part of a deferral in funding for the Climate Innovation Program. It is also requested Item 3360-007-0001 be increased in 2026-27 by \$10 million one-time and Item 3360-107-0001 be increased in 2026-27 by \$90 million one-time. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the Zero Emission Vehicle (ZEV) Package Fueling Infrastructure Grants Program

—It is requested that Item 3360-004-0001 be reduced by \$10.5 million in 2023-24, reduced by \$4.5 million in 2024-25, and be reduced by \$2 million in 2025-26. It is also requested that Item 3360-104-0001 be reduced by \$199.5 million in 2023-24, be reduced by \$85.5 million in 2024-25, and be reduced by \$38 million in 2025-26. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The above General Fund reductions in the ZEV Fueling Infrastructure Grants are requested to be partially supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$4.5 million in 2024-25 and increased by \$2 million in FY 2025-26 and Item 3360-101-3228 be increased \$85.5 million in 2024-25 and \$38 million in 2025-26.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV

Package: Equitable At-home Charging Program—It is requested that Item 3360-004-0001 be reduced by \$8 million in 2023-24, reduced by \$4 million in 2024-25, and be reduced by \$2 million in 2025-26. It is also requested that Item 3360-104-0001 be reduced by \$152 million in 2023-24, reduced by \$76 million in 2024-25, and reduced by \$38 million in 2025-26. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The above General Fund reductions to Equitable At-home Charging are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$8 million in 2023-24, increased by \$4 million in 2024-25, and increased by \$2 million in 2025-26. It is requested that Item 3360-101-3228 be increased by \$152 million in 2023-24, increased by \$76 million in 2024-25, and increased by \$38 million in 2025-26.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV

Package: Drayage Trucks and Infrastructure Program—It is requested that Item 3360-004-0001 be reduced by \$4,250,000 in 2023-24 and reduced by \$2,450,000 in 2024-25. It is requested that Item 3360-104-0001 be reduced by \$80,750,000 in 2023-24 and reduced by \$46,550,000 in 2024-25. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The above General Fund reductions to Drayage Trucks and Infrastructure are requested to be supplemented by the Greenhouse Gas Reduction fund. It is requested that Item 3360-001-3228 be increased by \$4,250,000 in 2023-24 and be increased by \$2,450,000 in 2024-25. It is also requested that Item 3360-101-3228 be increased by \$80,750,000 in 2023-24 and be increased by \$46,550,000 in 2024-25.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV

Package: Transit Buses and Infrastructure Program—It is requested that Item 3360-001-0001 be reduced by \$300,000 in 2023-24, and Item 3360-101-0001 be reduced by \$29.7 million in 2023-24. It is also requested that Item 3360-004-0001 be reduced by \$1.8 million in 2023-24, reduced by \$2.5 million in 2024-25, and reduced by \$1.5 million in 2025-26. Further, it is requested that Item 3360-104-0001 be reduced by \$34.2 million in 2023-24, reduced by \$47.5 million in 2024-25, and reduced by \$28.5 million in 2025-26. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to

provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The above General Fund reductions to Transit Buses and Infrastructure are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$1,250,000 in 2023-24, increased by \$2 million in 2024-25, and increased by \$3,250,000 in 2025-26. It is requested that Item 3360-101-3228 be increased by \$23,750,000 in 2023-24, increased by \$38 million in 2024-25, and increased by \$61,750,000 in 2025-26.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV Package: Clean Trucks, Buses, and Off-Road Equipment Program—It is requested that Item 3360-004-0001 be reduced by \$4.9 million in 2023-24, reduced by \$1,550,000 in 2024-25, and reduced by \$1,250,000 in 2025-26. It is also requested that Item 3360-104-0001 be reduced by \$93.1 million in 2023-24, be reduced by \$29,450,000 in 2024-25, and be reduced by \$23,750,000 in 2025-26. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The above General Fund reductions to Clean Trucks, Buses, and Off-Road Equipment are requested to be supplemented by the Greenhouse Gas Reduction Fund. It is requested that Item 3360-001-3228 be increased by \$4.9 million in 2023-24, be increased by \$1,550,000 in FY 2024-25, and be increased by \$1,250,000 in 2025-26. It is also requested that Item 3360-101-3228 be increased by \$93.1 million in 2023-24, be increased by \$29,450,000 in 2024-25, and be increased by \$23,750,000 in 2025-26.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV Package: School Buses and Infrastructure Program—It is requested that Item 3360-001-0001 be reduced by \$150,000 and Item 3360-101-0001 be reduced by \$14,850,000 in 2023-24. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV Package: Ports Program—It is requested that Item 3360-004-0001 be reduced by \$2 million in 2023-24, reduced by \$4 million in 2024-25, and reduced \$1.5 million in 2025-26. It is also requested that Item 3360-104-0001 be reduced by \$38 million in 2023-24, reduced by \$76 million in 2024-25, and reduced \$28.5 million in 2025-26. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriation for the ZEV Package: Emerging Opportunities Program—It is requested that Item 3360-004-0001 be reduced by \$1,750,000 in 2023-24 and reduced by \$550,000 in 2024-25. It is also

requested that Item 3360-104-0001 be reduced by \$33,250,000 in 2023-24 and reduced by \$10,450,000 in 2024-25. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Eamon Nalband, Principal Program Budget Analyst, at (916) 322-2263.

JOE STEPHENSHAW

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Chief Deputy Director

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Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Amanda Martin, Deputy Assistant Secretary for Administration and Finance, Natural Resources Agency
Rob Cook, Deputy Director, Energy Resources Conservation and Development Commission
Damien Mimnaugh, Chief Financial Officer, Energy Resources Conservation and Development Commission

3360-491—Reappropriation, State Energy Resources Conservation and Development Commission. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure as specified below:

0001—General Fund

- 1 Item 3360-006-0001, Budget Act of 2021 (Ch. 69, Stats. 2021), extended to June 30, 2024

0381— Public Interest Research, Development, and Demonstration Fund

- 1 Item 3360-001-0381, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024

3205—Appliance Efficiency Enforcement Subaccount, Energy Resources Programs Account

- 1 Item 3360-001-3205, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2024

3211—Electric Program Investment Charge Fund

- 1 Item 3360-101-3211, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Items 3360-490 and 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 2 Item 3360-001-3211, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 3 Item 3360-101-3211, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 4 Item 3360-001-3211, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025
- 5 Item 3360-101-3211, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025
- 6 Item 3360-001-3211, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025

- 7 Item 3360-101-3211, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3360-491, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025
- 8 Item 3360-001-3211, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025
- 9 Item 3360-101-3211, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025

3228—Greenhouse Gas Reduction Fund

- 1 Item 3360-101-3228, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 3360-490, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), Items 3360-490 and 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Items 3360-491 and 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Items 3360-491 and 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 2 Item 3360-101-3228, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Items 3360-490 and 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Items 3360-491 and 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Items 3360-491 and 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024

3237—Cost of Implementation Account

- 1 Item 3360-001-3237 Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024

3360-492—Reappropriation, State Energy Resources Conservation and Development Commission. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended as specified below:

0001— General Fund

- 1 Item 3360-001-0001, Budget Act of 2021 (Ch. 69, Stats. 2021) extended to June 30, 2028
- 2 Item 3360-101-0001, Budget Act of 2021 (Chs. 69 and 240, Stats. 2021) extended to June 30, 2028
- 3 Item 3360-006-0001, Budget Act of 2021 (Ch. 69, Stats. 2021), extended to June 30, 2026

0381— Public Interest Research, Development, and Demonstration Fund

- 1 Item 3360-001-0381, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2026

3205—Appliance Efficiency Enforcement Subaccount, Energy Resources Programs Account

- 1 Item 3360-001-3205, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2026

3211 — Electric Program Investment Charge Fund

- 1 Item 3360-101-3211, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), as reappropriated by Item 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 2 Item 3360-001-3211, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2024
- 3 Item 3360-101-3211, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2025
- 4 Item 3360-001-3211, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2026
- 5 Item 3360-101-3211, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2026

- 6 Item 3360-001-3211, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2026
- 7 Item 3360-101-3211, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2027
- 8 Item 3360-001-3211, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2027
- 9 Item 3360-101-3211, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2028
- 10 Item 3360-001-3211, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2028
- 11 Item 3360-101-3211, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2028
- 12 Item 3360-001-3211, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2029
- 13 Item 3360-101-3211, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3360-492, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2029
- 14 Item 3360-001-3211, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2029
- 15 Item 3360-101-3211, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2029
- 16 Item 3360-001-3211, Budget Act of 2022 (Ch. 43, Stats. 2022) extended to June 30, 2029
- 17 Item 3360-101-3211, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2029

3228—Greenhouse Gas Reduction Fund

- 1 Item 3360-101-3228, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 3360-490, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), as reappropriated by Items 3360-490 and 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Items 3360-490 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2028
- 2 Item 3360-101-3228, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Items 3360-490 and 3360-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Items 3360-490 3360-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) and Item 3360-492, Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2028

3237—Cost of Implementation Account

- 1 Item 3360-001-3237 Budget Act of 2022 (Ch. 43, Stats. 2022), extended to June 30, 2028

Provisions:

1. The Department of Finance may augment this item by up to \$1,500,000 to address increased permitting and licensing workload.

Add Provision to 3360-008-0001:

3. Notwithstanding any other law, upon order of the Director of Finance up to \$10,000,000 appropriated in this item may be transferred to Item 3860-001-0001. In furtherance of subdivision (a) of Section 80700, the Department of Water Resources may utilize funds transferred from Items 3360-008-0001 and 3360-108-0001 to reimburse electrical corporations, as defined in Section 218 of the Public Utilities Code, for the value of imported energy or import capacity products that was (A) delivered or capable of being delivered between July 1, 2023, and on or before October 31, 2023, and (B) was procured at above-market costs or in excess of procurement authorizations set by the Public Utilities Commission and above the requirements needed to serve its bundled customers in support of summer electric service reliability. Of the funds transferred to Item 3860-001-0001 pursuant to this provision, the Director of Finance may transfer any funds that the Department of Water Resources does not expend for the purposes identified in this provision back to Item 3360-008-0001.

Add Provision to 3360-108-0001:

5. Notwithstanding any other law, upon order of the Director of Finance up to \$90,000,000 appropriated in this item may be transferred to Item 3860-001-0001. In furtherance of subdivision (a) of Section 80700, the Department of Water Resources may utilize funds transferred from Items 3360-008-0001 and 3360-108-0001 to reimburse electrical corporations, as defined in Section 218 of the Public Utilities Code, for the value of imported energy or import capacity products that was (A) delivered or capable of being delivered between July 1, 2023, and on or before October 31, 2023, and (B) was procured at above-market costs or in excess of procurement authorizations set by the Public Utilities Commission and above the requirements needed to serve its bundled customers in support of summer electric service reliability. Of the funds transferred to Item 3860-001-0001 pursuant to this provision, the Director of Finance may transfer any funds that the Department of Water Resources does not expend for the purposes identified in this provision back to Item 3360-108-0001.

3360-495—Reversion, Energy Resources Conservation and Development Commission. Notwithstanding any other law, as of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

1. \$5,000,000 of the amount appropriated for the Equitable Building Decarbonization Program in Provision 1(e) of Item 3360-002-0001 of the Budget Act of 2022
2. \$45,000,000 of the amount appropriated for the Equitable Building Decarbonization Program in Provision 1(e) of Item 3360-102-0001 of the Budget Act of 2022
3. \$5,000,000 of the amount appropriated for the Climate Innovation Program in Provision 2(a) of Item 3360-007-0001 of the Budget Act of 2022
4. \$45,000,000 of the amount appropriated for the Climate Innovation Program in Provision 1(a) of Item 3360-107-0001 of the Budget Act of 2022
5. \$1,000,000 of the amount appropriated for the Industrial Decarbonization Program in Provision 1(c) of Item 3360-002-0001 of the Budget Act of 2022
6. \$9,000,000 of the amount appropriated for the Industrial Decarbonization Program in Provision 1(c) of Item 3360-102-0001 of the Budget Act of 2022

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 3460-001-0001 and Reimbursements, Support, Colorado River Board of California

It is requested that Item 3460-001-0001 be amended by increasing reimbursements by \$136,000 ongoing to support Contracted Fiscal Services with the Department of General Services for accounting and budgeting services.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierio, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Christopher Harris, Executive Director, Colorado River Board

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 3480-001-0001, Eliminate Item 3480-102-0001, and Addition of Budget Bill Items 3480-492 and 3480-495, Support and Local Assistance, Department of Conservation

Reduction of 2023-24 Appropriation (Multi-Benefit Land Repurposing Program)—It is requested that Item 3480-001-0001 be decreased by \$1 million one-time, and Item 3480-102-0001 be eliminated to reduce the amount provided for the Multi-Benefit Land Repurposing Program. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this program to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

Reappropriation: California Geologic Energy Management Division—It is requested that Item 3480-492 be added to reappropriate \$1 million Oil, Gas, and Geothermal Administrative Fund until June 30, 2024, for contract funding authorized in the 2022 Budget Act to study fugitive emissions, including greenhouse gases, toxic air contaminants, and volatile organic compounds (see Attachment 1).

Technical Adjustment to Shift the Reversion of 2022 Balances (Climate Smart Land Management Program and Sustainable Agricultural Lands Conservation Program)—It is requested that Item 3480-495 be added to revert the unexpended balance of appropriations made in the 2022 Budget Act (see Attachment 2). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversion from the statewide control section to the Department of Conservation's budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Andrew Hull, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary of Administration and Finance, Natural Resources Agency
David Shabazian, Director, Department of Conservation
Clayton Haas, Acting Chief Deputy Director, Department of Conservation
Manjit Bhatia, Budget Officer, Department of Conservation

3480-492—Reappropriation, Department of Conservation. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2024:

3046—Oil, Gas, and Geothermal Administrative Fund

(1) \$1,000,000 in Item 3480-001-3046, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022).

3480-495—Reversion, Department of Conservation. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) \$25,000,000 in Item 3480-102-0001, Budget Act of 2022 (Chs. 43 and 45, Stats. 2022)

(2) \$4,000,000 in Item 3480-103-0001, Budget Act of 2022 (Chs. 43, and 249, Stats. 2022)

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Reimbursements, Support and Local Assistance, Department of Forestry and Fire Protection

2023-24 Fire Protection Augmentation—It is requested that Item 3540-001-0001 be increased by \$117,268,000 and 503.5 positions one-time and reimbursements be increased by \$1,315,000 one-time, Item 3540-001-0102 be increased \$14,000 one-time, Item 3540-001-0198 be increased \$11,000 one-time, Item 3540-001-0209 be increased by \$16,000 one-time, Item 3540-001-0928 be increased by \$22,000 one-time, and Item 3540-002-3228 be increased by \$161,000 one-time to support augmented fire protection resources during fiscal year 2023-24. This funding will provide a flexible resource pool of 432 additional seasonal fire fighters, 6 additional fire fighter hand crews, sawyers to support Military Department hand crews, and contract county proportional funding.

Urban Forestry Inflation Reduction Act Grant—It is requested that item 3540-002-0890 be increased by \$2,099,000 and 6.1 positions, and Item 3540-101-0890 be increased by \$6 million in 2023-24 as part of a total one-time investment of \$43.2 million and 8.0 positions from 2023-24 through 2027-28 to implement urban forestry grants from federal funding awarded by the United States Forest Service through the Inflation Reduction Act.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Wildfire and Forest Resilience – Defensible Space Inspectors)—It is requested that Item 3540-001-0001 be decreased by \$5 million one-time. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Wildfire and Forest Resilience – Monitoring and Research)—It is requested that Item 3540-001-0001 be decreased by \$5 million one-time. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Wildfire and Forest Resilience – Workforce Training)—It is requested that Item 3540-101-0001 be decreased by \$15 million one-time. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Extreme Heat - Urban Forestry)—It is requested that Item 3540-101-0001 be decreased by \$10 million one-time. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Various Reappropriation Requests—It is requested that Item 3540-491 be amended to add various reappropriations necessary to continue implementation of existing authorized programs, including wildfire and forest resilience and mobile equipment investments (see Attachment 1).

Technical Adjustment to Shift Reversion of 2021 Balances (Urban Forestry)—It is requested that Item 3540-495 be added to revert the \$20 million appropriated for Urban Forestry in the 2021 Budget Act. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department/agency level by shifting the reversions from the statewide control section to the applicable departmental budget (see Attachment 2).

Technical Adjustment to Shift Reversion of 2021 Balances (Deferred Maintenance)—It is requested that Item 3540-495 be added to revert the \$13 million appropriated for Deferred Maintenance in the 2021 Budget Act. The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department/agency level by shifting the reversions from the statewide control section to the applicable departmental budget (see Attachment 2).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
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Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Joe Tyler, Director, Department of Forestry and Fire Protection
Chris Anthony, Chief Deputy Director, Department of Forestry and Fire Protection
Daniel Berlant, Acting State Fire Marshal, Department of Forestry and Fire Protection
Curtis Brown, Deputy Director of Fire Protection, Department of Forestry and Fire Protection
Kerry Garcia, Deputy Director of Fiscal Services, Department of Forestry and Fire Protection

"3540-491—Reappropriation, Department of Forestry and Fire Protection. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure ~~until June 30, 2024~~ as specified in this item:

0001—General Fund

- (1) Up to \$1,787,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2020 (Ch. 6, Stats. 2020 and Ch. 14, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2024.
- (1.1) Up to \$8,058,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2020 (Ch. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2025.
- (1.2) Up to \$679,000 of the amount appropriated in Schedule (3) of Item 3540-001-0001, Budget Act of 2020 (Ch. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2025.
- (1.3) Up to \$1,000,000 of the amount appropriated in Schedule (3) of Item 3540-001-0001, Budget Act of 2020 (Ch. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2027.
- (2) Up to \$2,928,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2021 (Chs. 21 and 240, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2024.
- (3) Up to \$21,313,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2021 (Chs. 21 and 240, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2025.
- (4) Up to \$5,400,000 of the amount appropriated in Schedule (2) of Item 3540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) shall be available for encumbrance or expenditure until June 30, 2025.

3228—Greenhouse Gas Reduction Fund

- (0.1) Up to \$402,000 of the amount appropriated in Schedule (1) of Item 3540-001-3228, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018) as reappropriated by Item 3540-492, Budget Act of 2021 (Ch. 21, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2025.

- (0.2) Up to \$122,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018) as reappropriated by Item 3540-492, Budget Act of 2021 (Ch. 21, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2025.
- (0.3) Up to \$2,183,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) as reappropriated by Item 3540-492, Budget Act of 2021 (Ch. 21, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2025.
- (1) Up to \$111,000 of the amount appropriated in Schedule (3) of Item 3540-002-3228, Budget Act of 2020 (Ch. 6, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2023.
- (2) Up to \$1,384,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2020 (Ch. 6, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2023.
- (2.1) Up to \$2,584,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2020 (Chs. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2025.
- (2.2) Up to \$512,000 of the amount appropriated in Schedule (1) of Item 3540-101-3228, Budget Act of 2020 (Chs. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2025.
- (2.3) Up to \$1,070,000 of the amount appropriated in Schedule (1) of Item 3540-101-3228, Budget Act of 2020 (Chs. 6 and 14, Stats. 2020) shall be available for encumbrance or expenditure until June 30, 2027.
- (3) Up to \$1,563,000 of the amount appropriated in Schedule (1) of Item 3540-003-3228, Budget Act of 2021 (Chs. 21 and 69, Stats. 2021) shall be available for encumbrance or expenditure until June 30, 2023."

3540-495—Reversion, Department of Forestry and Fire Protection. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) \$20,000,000 of the amount appropriated for Urban Forestry in Item 3540-101-0001, Budget Act of 2021 (Chs. 21, 43, 69, 84, and 240, Stats. 2021, as amended by Ch. 574, Stats. 2022).
- (2) \$13,000,000 of the amount appropriated for deferred maintenance in Item 3540-001-0001, Budget Act of 2021 (Chs. 21, 43, 69, 84, and 240, Stats. 2021).

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Addition of Budget Bill Item 3540-495, Capital Outlay, Department of Forestry and Fire Protection

Reversions of Lake Napa Projects—It is requested that Item 3540-495 be added to revert the unencumbered balances of funds for the Lake Napa Unit Auto Shop and Warehouse: Replace Facility and Lake Napa Unit Headquarters and St. Helena Fire Station: Relocate Facility projects (see Attachment 1) to the funds from which the appropriations were made.

The Lake Napa Unit Auto Shop and Warehouse: Replace Facility project includes the reversions of Item 3540-301-0001, Budget Act of 2020, for the acquisition phase; Item 3540-301-0001, Budget Act of 2021, for the working drawings phase; and Item 3540-301-0001, Budget Act of 2022, for the construction phase.

The Lake Napa Unit Headquarters and St Helena Fire Station: Relocate Facility project includes the reversion of Item 3540-301-0001, Budget Act of 2022, for the acquisition phase. These reversions will result in savings of \$27.3 million General Fund.

Approximately 30 acres of the state-owned property at the former Sonoma Developmental Center is being transferred to the Department of Forestry and Fire Protection for a future proposal that includes consolidation of the two Lake Napa projects. The combined project will be proposed in a future budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amanda Martin, Deputy Assistant Secretary of Administration and Finance, Natural Resources Agency
Joe Tyler, Director, Department of Forestry and Fire Protection
Kerry Garcia, Deputy Director of Fiscal Services, Department of Forestry and Fire Protection
Mike Duggan, Chief of Technical Services, Department of Forestry and Fire Protection
Trey Hunter, Assistant Deputy Director of Capital Finance and Sustainability, Department of Forestry and Fire Protection

3540-495—Reversion, Department of Forestry and Fire Protection. As of June 30, 2023, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

(1) Item 3540-301-0001, Budget Act of 2020

(9) 0006680-Lake Napa Unit Auto Shop and Warehouse: Replace Facility

(a) Acquisition

(2) Item 3540-301-0001, Budget Act of 2021 (Chs. 21 and 69, Stats. 2021 and Ch. 44, Stats. 2022), as reappropriated by Item 3540-490, Budget Act of 2022

(22) 0006680-Lake/Napa Unit Auto Shop and Warehouse: Replace Facility

(a) Working drawings

(3) Item 3540-301-0001, Budget Act of 2022 (Chs. 43 and 45, Stats. 2022)

(12) 0006680-Lake/Napa Unit Auto Shop and Warehouse: Replace Facility

(a) Construction

(21) 0009703-Lake Napa Unit Headquarters and St. Helena Fire Station: Relocate Facility

(a) Acquisition

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items, Support, Department of Fish and Wildlife.

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Complete Fine-Scale Vegetation Mapping for California)—It is requested that Item 3600-001-0001 be reduced by \$20 million one-time for complete fine-scale vegetation mapping. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to the applicable departmental budget.

Organizational Support for Salton Sea Management Program—It is requested that Item 3600-001-8018 be increased by \$1,663,000 and 6 positions ongoing for technical support and aquatic habitat monitoring and management consistent with the Salton Sea Management Plan.

Technical Adjustment to Shift the Reversion of 2022 Balance (Natural Community Conservation Program Planning and Land Acquisition)—It is requested that Item 3600-495 be added to revert \$6 million one-time appropriated in the 2022 Budget Act for Natural Community Conservation Planning (see Attachment 1). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversion from the statewide control section to the applicable department budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierio, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director

/s/ Erika Li

By:
ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Charlton H. Bonham, Director, Department of Fish and Wildlife
Dan Reagan, Deputy Director for Fiscal Services Division, Department of Fish and Wildlife

3600-495—Reversion, Department of Fish and Wildlife. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) Item 3600-102-0001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022). \$6,000,000 appropriated in Program 2590—Biodiversity Conservation Program.

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 3640-101-0001, 3640-103-0001, and 3640-495, Local Assistance, Wildlife Conservation Board.

Technical Adjustments to Shift the Reduction of 2023-24 Appropriations (Various Climate and Resources Investments)—It is requested that Item 3640-101-0001 be decreased by \$35 million one-time for Protecting Fish and Wildlife from Changing Conditions within the nature-based solutions investments (see Attachment 1). Additionally, it is requested that Item 3640-103-0001 be decreased by \$64 million one-time for Land Acquisition and Habitat Enforcement, and Cascades and High Sierra Upper Watersheds Programs within the water and drought investments (see Attachment 2). The Governor's Budget reduced and delayed various items of appropriation in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions and delays from the statewide control section to items of appropriation in the applicable department budget.

Technical Adjustment to Shift the Reversion of 2022 Balances (Watershed Climate Resilience)—It is requested that Item 3640-495 be added to revert \$158 million appropriated in the 2022 Budget Act for Land Acquisition and Habitat Enforcement, and Cascades and High Sierra Upper Watersheds Programs within the water and drought investments (see Attachment 3). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversion from the statewide control section to the applicable department budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierto, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director

By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Charlton H. Bonham, Director, Department of Fish and Wildlife
Dan Reagan, Deputy Director for Fiscal Services Division, Department of Fish and Wildlife

Amend Item 3640-101-0001 as follows:

"3640-101-0001—For local assistance, Wildlife Conservation Board
~~100,000,000~~ 65,000,000

Schedule:

(1) 2710-Wildlife Conservation Board~~100,000,000~~ 65,000,000

Provisions:

1. Of the amount appropriated in this item, ~~\$100,000,000~~ \$65,000,000 shall be available for the protection of California's fish and wildlife resources in response to changing climate conditions and the highly variable habitat needs of fish and wildlife, as well as for restoration and stewardship projects that restore or manage the land to improve its resilience to climate impacts and natural disasters. Eligible purposes include the following:

- (a) Land acquisition projects, including those that protect land from development.
- (b) Restoration and stewardship projects that restore or manage the land to improve its resilience to climate impacts and natural disasters.
- (c) Projects for the protection of threatened and endangered species, including projects within natural community conservation plans or habitat conservation plans. Projects may include land acquisition through either easement or fee title.
- (d) Projects for the development and implementation of regional conservation investment strategies that include climate resilience elements.
- (e) Restoration activities to control or eradicate invasive plants and species.
- (f) Projects for the acquisition, development, rehabilitation, restoration, protection, and expansion of wildlife corridors and open space, including projects to improve connectivity and reduce barriers between habitat areas.
- (g) Funds, to the extent feasible, shall be expended in furtherance of the state's conservation goals, including the goal to conserve at least 30 percent of the state's land and coastal waters by 2030 as established by Executive Order N-82-20.

3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

4. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2026."

Amend Item 3640-103-0001 as follows:

"3640-103-0001—For local assistance, Wildlife Conservation Board
~~194,000,000~~ 130,000,000

Schedule:

(1) 2710-Wildlife Conservation Board~~194,000,000~~ 130,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2026.
2. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.
3. The funds appropriated in this item shall be available as follows:
 - (a) \$95,000,000 for the Wildlife Conservation Board's nature-based solutions grant programs. The board shall, to the extent possible, strive to award at least 40 percent of these funds to projects and programs for biodiversity conservation actions adjacent to or directly benefitting climate-vulnerable communities, disadvantaged communities, or California Native American tribes.
 - (b) \$3,000,000 to support resource conservation investment strategies.
 - (c) ~~\$48,000,000~~ \$16,000,000 for competitive grants through the Cascades and High Sierra Upper Watersheds Program to improve watershed protection and climate resiliency.
 - (d) ~~\$48,000,000~~ \$16,000,000 for competitive grants through the Land Acquisition and Habitat Enhancement Program to improve watershed protection and climate resiliency in Southern California."

3640-495—Reversion, Wildlife Conservation Board. As of June 30, 2023, the balances specified below of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

1. Item 3640-103-0001, Budget Act of 2022 (Ch. 249, Stats. 2022). \$158,000,000 appropriated in Program 2710—Wildlife Conservation Board.

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Elimination of Budget Bill Items 3760-101-0001 and 3760-107-0001, Amendment to Item 3760-105-0001, and Addition of Item 3760-495, Support and Local Assistance, State Coastal Conservancy

State Coastal Conservancy: Reduction of 2023-24 Appropriation—It is requested that Item 3760-101-0001 be eliminated, Item 3760-105-0001 be increased by \$249,700,000 and 3760-107-0001 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

State Coastal Conservancy: Technical Adjustment to Shift Reversion of 2021 and 2022 Balances—It is requested that Item 3760-495 be added to revert portions of the unexpended balance of appropriations made in the 2021 and 2022 Budget Act (see Attachment 1). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources
Agency
Amy Hutzal, Executive Officer, State Coastal Conservancy
Mary Small, Deputy Executive Officer, State Coastal Conservancy

3760-495—Reversion, State Coastal Conservancy. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

(1) \$175,000,000 of the amount appropriated in Schedule (1) of Item 3760-101-0001, Budget Act of 2022 (Chapter 43, Statutes of 2022)

(2) \$10,400,000 of the amount appropriated in Schedule (1) of Item 3760-106-0001, Budget Act of 2022 (Chapter 249, Statutes of 2022)

(3) \$1,000,000 of the amount appropriated in Schedule (1) of Item 3760-101-0001, Budget Act of 2021 (Chapter 21, Statutes of 2021)

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Reimbursements, Support and Capital Outlay, Department of Parks and Recreation

Providing Efficient Environmental Review for Federal and State Projects—It is requested that Item 3790-001-0001 be increased by \$764,000 and 4 positions ongoing to address the increase of federal and state reviews performed by the Office of Historic Preservation (OHP). These positions will support OHP's federal and state environmental review responsibilities to handle the increased workload it is currently experiencing along with additional significant increases anticipated in future years.

2023 Winter Storm Damage: Statewide Repairs and Adaptation—It is requested that Item 3790-001-0001 be increased by \$14 million ongoing and reimbursements be increased by \$1 million and 5 positions ongoing. It is also requested that Item 3790-001-0392 be amended by decreasing reimbursements by \$94 million. This will allow funding to support strategic planning efforts and rebuilding facilities destroyed by storms to pre-disaster conditions. Federal Emergency Management Agency funding will be the source of the reimbursements for this proposal.

Technical Correction to Reimbursement for Sonoma Open Space Area Operations—It is requested that reimbursements to Item 3790-001-0263 be decreased by \$3 million and 2 positions one-time and reimbursements to Item 3790-001-0392 be increased by \$3 million and 2 positions one-time. This is a technical adjustment to change the reimbursement authority from the Off-Highway Vehicle Trust Fund to the State Parks and Recreation Fund.

Oceano Dunes SVRA Re-designation to State Beach—It is requested that provisional language be added to Item 3790-001-0392 for operations at Oceano Dunes State Vehicular Recreational Area SVRA to be funded by the State Parks and Recreation Fund upon the cessation of off-highway vehicle activity in the in the park (see

Attachment 1). This would allow for an increase in the appropriation of up to \$11,904,000.

Winter Recreation Fund Support Request—It is requested that Item 3790-001-0449 be increased by \$469,000 one-time in order to provide increased visitor services at SNO-Parks. This funding will also be used to resolve project backlogs and comply with federal requirements for the SNO-Parks program.

Fiscal Stability for Boating Programs—It is requested that Item 3790-001-0516 be decreased by \$5,314,000 ongoing and Item 3790-101-0516 be decreased by \$6 million ongoing. It is also requested that statutory changes be made to increase the biennial registration tax on recreational vessels from \$20 to \$80. These changes will provide long term structural stability for the Harbors and Watercraft Revolving Fund.

Department of Parks and Recreation: Technical Adjustment to Shift Reversion of 2020, 2021, and 2022 Balances—It is requested that Item 3790-497 be added to revert the unexpended balance of appropriations made in the 2021 Budget Act (see Attachment 2). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the applicable departmental budget.

Department of Parks and Recreation: Reversion of 2021 Balances and Reduction of 2023-24 Appropriation—It is requested that Item 3790-497 be added to revert the unexpended balance of appropriations made for the Statewide Parks Program in the 2021 Budget Act (see Attachment 2). It is also requested that Item 3790-101-0001 be decreased by \$25 million one-time to reduce the amount provided for the Statewide Parks Program and provisional language be amended (see Attachment 3). As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to this program to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

Department of Parks and Recreation: Technical Adjustment to Shift the Reduction of 2023-24 Appropriations—It requested that Item 3790-101-0001 be reduced by \$24.5 million. It is also requested that provisional language be amended (see Attachment 3). The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

El Capitan SB: Entrance Improvements—It is requested that Item 3790-301-0392 be increased by \$1.3 million in reimbursement authority and that Item 3790-301-3312 be added in the amount of \$1,886,000 for the construction phase of the continuing El Capitan State Beach (SB): Entrance Improvements project. This project includes improvements that will provide an alternate safe route for pedestrians and bicyclists, provide increased space for today's larger vehicles on the park road and entrance area, replace a culvert with a bridge to allow the endangered steelhead trout a barrier free passage, and replace the aging and damaged entrance kiosk.

Border Field SP: Monument Mesa Day Use & Interpretation Area Updates—It is requested that Item 3790-301-3312 be added in the amount of \$1 million Natural Resources and Parks Preservation Fund for the preliminary plans phase of the Border Field SP: Monument Mesa Day Use and Interpretive Area project. It is also requested that provisional language be added (see Attachment 4). This project includes updates to the outdoor educational plaza at Monument Mesa within Border Field SP with mixed-use group event areas and provide interpretive elements and exhibits along with updated walkways and landscaping.

Various Reappropriations, Reversions and Technical Adjustments—It is requested that Item 3790-490, Item 3790-491, Item 3790-492, Item 3790-493, Item 3790-495 and Item 3790-496 be added to reappropriate and revert specified amounts in various general fund and special fund appropriations for support and capital outlay. This request includes reappropriation of existing support, local assistance, and capital outlay appropriations to allow for the completion of projects currently in process, a reversion of \$940,000 from Proposition 68 to stay within the 5 percent cap for program delivery, revert remaining balances for continuously appropriated items for support and capital outlay as they are no longer needed by the Department, and technical corrections for previously approved budget change proposals (see Attachments 5-10).

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Andrea Scharffer, Deputy Assistant Secretary, Natural Resources Agency
Liz McGuirk, Chief Deputy Director, Department of Parks and Recreation
Crystal Flores, Assistant Deputy Director of Administrative Services, Department of Parks
and Recreation
Brian Dewey, Assistant Deputy Director, Facilities and Development Division, Department
of Parks and Recreation

Add the following provisions Item 3790-001-0392:

3. Notwithstanding any other law, upon approval of the Department of Finance, the amount available for expenditure in this item may be augmented by up to \$11,904,000 for use at Oceano Dunes State Vehicular Recreation Area in the event that off-highway vehicle recreation activities in the park are ceased.
4. Any augmentation pursuant to Provision 3 of this item shall result in an equal reduction to the authority in Item 3790-001-0263.

3790-497—Reversion, Department of Parks and Recreation. As of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the fund balances in the funds from which the appropriations were made.

0001—General Fund

1. Item 3790-101-0001, Budget Act of 2021 (Chs. 21 and 69, , Stats. 2021). Up to \$11,600,000 appropriated in Provision 2 (a).
2. Item 3790-004-0001, Budget Act of 2021 (Chs. 21 and 69 , Stats. 2021). Up to \$31,000,000 appropriated in Provision 1 (a).

Amend Item 3790-101-0001 as follows:

"3790-101-0001—For local assistance, Department of Parks and Recreation
..... ~~88,500,000~~ 33,000,000

Schedule:

- (1) 2855047-Local Grants ~~83,500,000~~ 28,000,000
- (2) 2840-Support of the Department of Parks and Recreation
5,000,000

Provisions:

1. The funds appropriated in Schedule (1) shall be available for the following:
 - (a) \$3,000,000 shall be available for a grant to the California Museum.
 - (b) ~~\$55,500,000 shall be available for the statewide parks program.~~
 - (c) \$25,000,000 shall be available for outdoor equity grants.
2. The funds appropriated in Schedule (2) shall be available for the City of Redondo Beach for the acquisition of land for future park development."

3790-301-3312—For capital outlay, Department of Parks and Recreation, payable from the Natural Resources and Parks Preservation Fund..... 2,886,000

Schedules:

(1) 0000912-El Capitan SB: Entrance Improvements1,886,000

(a) Construction 1,886,000

(2) 0011988-Border Field SP: Monument Mesa Day Use & Interpretation Area Updates..... 1,000,000

(a)Preliminary plans 1,000,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in Schedule (2) of this item shall be available for encumbrance or expenditure until June 30, 2025.

3790-490—Reappropriation, Department of Parks and Recreation. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2024:

0001—General Fund

(1) Up to \$472,000 in Item 3790-001-0001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022)

3001—Public Beach Restoration Fund

(1) Schedule (1)(a) of Item 3790-101-3001, Budget Act of 2016 (Chs. 23, Stats. 2016), as reappropriated by Item 3790-492, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-490, Budget Act of 2022 (Ch. 43, Stats. 2022)

(2) Schedule (1)(c) of Item 3790-101-3001, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 3790-490, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), Item 3790-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-490, Budget Act of 2022 (Ch. 43, Stats. 2022)

(3) Schedules (1) and (2) of Item 3790-101-3001, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-490, Budget Act of 2022 (Chs. 43, Stats. 2022)

(4) Item 3790-101-3001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022)

3790-491-Reappropriation, Department of Parks and Recreation. The balance of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance as specified below:

0001—General Fund

- (1) Item 3790-301-0001, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (1) 0005276-Fort Ross SHP: Visitor and Educational Improvements
 - (a) Preliminary plans
- (2) Item 3790-301-0001, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022), until June 30, 2026
 - (1) 0003194-Oceano Dunes SVRA: Le Sage Bridge Replacement
 - (a) Construction
 - (3) 0001453-Pismo SB: Entrance Kiosk Replacement
 - (a) Construction
 - (4) 0006867-Colonel Allensworth SHP: Visitor Center
 - (a) Construction

0263—Off-Highway Vehicle Trust Fund

- (1) Item 3790-301-0263, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 3790-491, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), Item 3790-491, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019), Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43 and 249, Stats. 2022), until June 30, 2026
 - (1) 0000695-Heber Dunes SVRA: Water System Upgrades-Working drawings and construction
- (2) Item 3790-301-0263, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (2) 0001452-Oceano Dunes SVRA: Grand Avenue Lifeguard Tower
 - (a) Working drawings
 - (3) 0001453-Pismo SB: Entrance Kiosk Replacement
 - (b) Working drawings
 - (6) 0003192-Ocotillo Wells SVRA: Auto Shop Addition
 - (b) Working drawings

- (3) Item 3790-301-0263, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (4) 0001455-Hungry Valley SVRA: 4x4 Obstacle Course
 - (a) Construction
 - (8) 0000754-Hollister Hills SVRA: Waterline Expansion
 - (a) Working drawings
 - (b) Construction
- (4) Item 3790-301-0263, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (2) 0001454-Ocotillo Wells SVRA: Holmes Camp Water System Upgrade
 - (a) Construction
 - (5) 0003194-Oceano Dunes SVRA: Le Sage Bridge Replacement
 - (a) Working drawings
 - (6) 0000213-Carnegie SVRA: Road Reconstruction
 - (a) Construction
 - (7) 0000241-Southern California Opportunity Purchase
 - (a) Acquisition
- (5) Item 3790-301-0263, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0000234-Oceano Dunes SVRA: Pismo SB: Sediment Track-out Prevention
 - (a) Construction
- (6) Item 3790-301-0263, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (2) 0001452-Oceano Dunes SVRA: Grand Avenue Lifeguard Tower
 - (a) Construction
 - (b) Equipment
 - (3) 0003192-Ocotillo Wells SVRA: Auto Shop Addition
 - (a) Construction
 - (4) 0003194-Oceano Dunes SVRA: Le Sage Bridge Replacement
 - (a) Working drawings

- (7) Item 3790-301-0263, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (1) 0010752-Statewide: OHV Feasibility Studies for Acquisitions
 - (a) Study
- (8) Item 3790-301-0263, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (2) 0000213-Carnegie SVRA: Road Reconstruction
 - (a) Construction
 - (3) 0000695-Heber Dunes SVRA: Water System Upgrades
 - (a) Construction
 - (6) 0001454-Ocotillo Wells SVRA: Holmes Camp Water System Upgrades
 - (a) Construction
 - (7) 0003192-Ocotillo Wells SVRA: Auto Shop Addition
 - (a) Construction

0392—State Parks and Recreation Fund

- (1) Item 3790-301-0392, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021, and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (2) 0001450-Calaveras Big Trees SP: Mitigation Campsite Relocation
 - (a) Construction
 - (b) Working drawings
 - (4) Reimbursements to 0001450-Calaveras Big Trees SP: Mitigation Campsite Relocation
 - (a) Construction
 - (b) Working drawings
- (2) Item 3790-301-0392, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), until June 30, 2024
 - (1) 0003193-Anza Borrego SP: Acquisition
 - (a) Acquisition
 - (1) Reimbursements to 0003193-Anza Borrego SP: Acquisition
 - (a) Acquisition
- (3) Item 3790-301-0392, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), until June 30, 2026
 - (1) 0000633-Statewide: SP System Acquisition Program
 - (a) Acquisition
 - (1) Reimbursements to 0000633-Statewide: SP System Acquisition Program
 - (a) Acquisition

- (4) Item 3790-301-0392, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (3) 0000912-El Capitan SB: Entrance Improvements
 - (a) Construction
 - (4) Reimbursements to 0000912-El Capitan SB: Entrance Improvements
 - (a) Construction

0952—State Parks Contingent Fund

- (1) Item 3790-301-0952, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0002696-Pfieffer Big Sur SP: Low-Cost Alternative Coastal Lodging
 - (a) Working drawings
- (2) Item 3790-301-0952, Budget Act of 2022, until June 30, 2026
 - (1) 0002696-Pfieffer Big Sur SP: Low-Cost Alternative Coastal Lodging
 - (a) Construction

3312—Natural Resources and Parks Preservation Fund

- (1) Section 60(a)(1)(A) of Chapter 51, Statutes of 2018, until June 30, 2026

6029—California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund

- (1) Item 3790-301-6029, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3790-491, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (2) 0003195-Los Angeles SHP: Soil Remediation
 - (c) Construction

- (2) Item 3790-301-6029, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (1) 0003196-R.H. Meyer Memorial SB: Parking Lot Expansion, Facility and Site Modifications
 - (a) Working drawings
- (3) Item 3790-301-6029, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2025
 - (4) 0004005-Fort Ross SHP: Cultural Trail Center
 - a. Construction
 - (4) 0000633-Statewide: SP System Acquisition Program
 - (a) Acquisition
 - (5) 0000765-McGrath SB: Campground Relocation and Wetlands Restoration
 - (a) Working drawings
- (4) Item 3790-301-6029, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), until June 30, 2025
 - (1) 0000633-Statewide: SP System Acquisition Program
 - (a) Acquisition

6051—Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

- (1) Item 3790-301-6051, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 3790-491, Budget Act of 2016 (Ch. 23, Stats. 2016), Item 3790-491, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), Item 3790-491, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), Item 3790-491, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (2) 0000227-MacKerricher SP: Replace Water Treatment System-Working drawings

- (2) Item 3790-301-6051, Budget Act of 2018 (Chs. 29 and 30, Stats. 2018), as reappropriated by Item 3790-491, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0000932-Topanga SP: Rehabilitate Trippet Ranch Parking Lot
 - (a) Construction
 - (4) 0000696-Malibu Creek SP: New Stokes Creek Bridge
 - (a) Working drawings
- (3) Item 3790-301-6051, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (1) 0000699-Old Sacramento SHP: Boiler Shop Renovation
 - (a) Working drawings
 - (2) 0000912-El Capitan SB: Entrance Improvements
 - (b) Working drawings
 - (8) 0000697-Torrey Pines SNR: Sewer and Utility Modernization
 - (b) Working drawings
 - (10) 0001468-Statewide: VEP Minor Program
 - (a) Minor projects
- (4) Item 3790-301-6051, Budget Act of 2019 (Chs. 23 and 363, Stats. 2019), as reappropriated by Item 3790-491, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), Item 3790-491, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), and Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (5) 0000220-Fort Ord Dunes SP: New Campground
 - (a) Construction
 - (7) 0000696-Malibu Creek SP: New Stokes Creek Bridge
 - (a) Working drawings
- (5) Item 3790-301-6051, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (3) 0006839-Humboldt Redwoods SP: Replace Founders Grove Restroom
 - (a) Preliminary plans
 - (4) 0006865- Statewide: Museum Collection Storage Facility
 - (a) Acquisition

- (5) Item 3790-301-6051, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0000633-Statewide: SP System Acquisition Program
 - (a) Acquisition
 - (5) 0000697-Torrey Pines SNR: Sewer and Utility Modernization
 - (c) Construction
- (6) Item 3790-301-6051, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0000699-Old Sacramento SHP: Boiler Shop Renovation
 - (a) Construction
 - (2) 0000912-El Capitan SB: Entrance Improvements
 - (a) Construction
- (7) Item 3790-301-6051, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (1) 0000227-MacKerricher SP: Replace Water Treatment System
 - (a) Construction
 - (2) 0000696-Malibu Creek SP: New Stokes Creek Bridge
 - (a) Working Drawings
 - (5) 0000912-El Capitan SB: Entrance Improvements
 - (a) Construction

6088—California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund

- (1) Item 3790-301-6088, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (2) 0006837-Old Sacramento SHP: Riverfront Improvements
 - (a) Preliminary plans
 - (4) 0007312-Silver Strand SB: Low-Cost Accommodations
 - (a) Study
- (2) Item 3790-301-6088, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (3) 0006867-Colonel Allensworth SHP: Visitor Center
 - (a) Preliminary plans

- (4) Item 3790-301-6088, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 3790-491, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2024
 - (0.5) 0003197-Picacho SRA: Park Power System Upgrade
 - (a) Preliminary plans
 - (1) 0006866-Candlestick Point SRA: Build-Out of Park
 - (a) Preliminary Plans
- (5) Item 3790-301-6088, Budget Act of 2022 (Chs. 43, Stats. 2022), until June 30, 2026
 - (2) 0002696-Pfeiffer Big Sur SP: Low-Cost Alternative Coastal Lodging
 - (a) Construction
 - (3) 0003197- Picacho SRA: Park Power System Upgrade
 - (a) Working Drawings
 - (8) 0000227-MacKerricher SP: Replace Water Treatment System
 - (a) Construction
 - (9) 0000697-Torrey Pines SNR: Sewer and Utility Modernization
 - (a) Working drawings
 - (b) Construction

Attachment 7

3790-492—Reappropriation, Department of Parks and Recreation. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2025:

0392—State Parks and Recreation Fund

(1) Up to \$973,000 in Item 3790-001-0392, Budget Act of 2022

3790-493—Reappropriation, Department of Parks and Recreation. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2027.

3261—Vessel Operator Certification Account, Harbors and Watercraft Revolving Fund

(1) Item 3790-001-3261, Budget Act of 2020

3790-495—Reversion, Department of Parks and Recreation. As of June 30, 2023, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0263—Off-Highway Vehicle Trust Fund

- (1) Item 3790-162-0263, Budget Act of 1979 (Chs. 759, Stats. 1979)
- (2) Item 3790-101-0263, Budget Act of 1988 (Chs. 313, Stats. 1988)

0516—Harbors and Watercraft Revolving Fund

- (1) Item 3790-101-0516, Budget Act of 1994 (Item 3680-101-0516)
- (2) Item 3790-101-0516, Budget Act of 1999 (Item 3680-101-0516)
- (3) Item 3790-101-0516, Budget Act of 2000 (Item 3680-101-0516)

3001—Public Beach Restoration Fund

- (1) Item 3790-101-2000, Budget Act of 2000 (Ch. 268, Stats. 2000)

6088—California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund

- (1) Item 3790-001-6088, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021)

(a) \$940,000 appropriated for the Parks in Urban Areas Program, consistent with subdivision (b) of Section 80061 of the Public Resources Code.

3790-496—Reversion, Department of Parks and Recreation. As of June 30, 2023, the balances specified below of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

(1) Item 3790-301-0001, Budget Act of 2016 (Chs. 23, Stats. 2016), \$26,000 appropriated in Project 0001033-Malakoff Diggins SHP: Solar Panel Generator-Preliminary Plans, Working Drawings, and Construction

0005— Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Fund

(1) Item 3790-301-0005, Budget Act of 2005, \$129.93 appropriated in Project 90.16.101-San Elijo SB: Replace Main Lifeguard Tower-Preliminary Plans and Working Drawings

0263—Off-Highway Vehicle Trust Fund

(1) Item 3790-301-0263, Budget Act of 2009 (Ch. 1, 2009–10 3rd Ex. Sess., as revised by Ch. 1, 2009–10 4th Ex. Sess.), \$93,096.30 appropriated in Project 90.7C.102-Oceano Dunes SVRA/Pismo SB: Visitor Center and Equipment Storage-Working Drawings

(2) Item 3790-301-0263, Budget Act of 2011 (Ch. 33, Stats. 2011), \$12,070.82 appropriated in Project 90.H7.100-Heber Dunes SVRA: Initial Development-Construction and Equipment

(3) Item 3790-301-0263, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), \$30,000 appropriated in Project 90.7C.105-Oceano Dunes SVRA: Pismo SB Sediment Track-Out Prevention-Preliminary Plans

0392—State Parks and Recreation Fund

(1) Item 3790-301-0392, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), \$955.90 appropriated in Project 0000225-Leo Carrillo SP: Steelhead Trout Barrier Removal-Construction

(2) Item 3790-301-0392, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), \$0 appropriated in Reimbursements to Project 0000225-Leo Carrillo SP: Steelhead Trout Barrier Removal-Construction

0516—Harbors and Watercraft Revolving Fund

(1) Item 3790-301-0516, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), \$10,613.16 appropriated in Project 90.3J.101-McArthur-Burney Falls SP: Ramp and Boarding Float Replacement-Preliminary Plans

6051— Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006

(1) Item 3790-301-6051, Budget Act of 2010 (Ch. 712, Stats. 2010), \$98,683.86 appropriated in Project 90.CT.100-Fort Ord Dunes SP: New Campground and Beach Access-Preliminary Plans

(2) Item 3790-301-6051, Budget Act of 2010 (Ch. 712, Stats. 2010), \$22,756.18 appropriated in Project 90.GG.102-Silverwood Lake SRA: Nature Center Exhibits-Construction and Equipment

(3) Item 3790-301-6051, Budget Act of 2012 (Chs. 21 and 29, Stats. 2012), \$30,845.12 appropriated in Project 90.8D.103-Donner Memorial SP: Enhance Museum Exhibits-Working Drawings and Construction

(4) Item 3790-301-6051, Budget Act of 2013 (Chs. 20 and 354, Stats. 2013), \$80,602.12 appropriated in Project 90.KZ.104-Los Angeles SHP: Site Development/Planning and Phase 1 Build Out-Construction

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Eliminate Budget Bill Item 3810-104-0001, Local Assistance, Santa Monica Mountains Conservancy

Santa Monica Mountains Conservancy: Reduction of 2023-24 Appropriation—It is requested that Item 3810-104-0001 be eliminated to reduce the amount provided for Nature-Based Solutions. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to the Nature-Based Solutions to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amanda Martin, Deputy Assistant Secretary of Administration and Finance, Natural
Resources Agency
Rorie Skei, Chief Deputy Director, Santa Monica Mountains Conservancy

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 3820-001-0001, Support, San Francisco Bay
Conservation and Development Commission**

Realignment of Career Executive Assignment Positions—It is requested that Item 3820-001-0001 be increased by \$150,000 ongoing to fund increased salaries and benefit costs for two existing Career Executive Assignment positions at the San Francisco Bay Conservation and Development Commission.

Department of Justice Costs—It is requested that Item 3820-001-0001 be increased by \$170,000 in fiscal year 2023-24 to cover increased litigation costs, which are expected to exceed the Commission's existing Department of Justice budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierto, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
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Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Larry Goldzband, San Francisco Bay Conservation and Development Commission
Peggy Atwell, Director of Administrative and Technology Services, San Francisco Bay
Conservation and Development Commission

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Eliminate Budget Bill Item 3825-102-0001, Local Assistance, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy: Technical Adjustment to Shift the Reduction of 2023-24 Appropriations—It is requested that Item 3825-102-0001 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amanda Martin, Deputy Assistant Secretary of Administration and Finance, Natural
Resources Agency
Salian Garcia, Budget Officer, San Gabriel and Lower Los Angeles Rivers and Mountains
Conservancy
Mark Stanley, Executive Officer, San Gabriel and Lower Los Angeles Rivers and Mountains
Conservancy

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Item 3830-101-0001, Local Assistance, San Joaquin River Conservancy

San Joaquin River Conservancy: Technical Adjustment to Shift the Reduction of 2023-24 Appropriations—It is requested that Item 3830-101-0001 be reduced by \$2,083,000. It is also requested that Provisions 1 and 2 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
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Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Rebecca Raus, Associate Governmental Program Analyst, San Joaquin River
Conservancy
Andrea Scharffer, Assistant Deputy Secretary for Bonds and Grants, Natural Resources
Agency

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 3835-101-0001 and Addition of Budget Bill
Item 3835-490, Local Assistance, Baldwin Hills Conservancy**

Baldwin Hills Conservancy: Technical Adjustment to Shift the Reduction of 2023-24

Appropriations—It is requested that Item 3835-101-0001 be reduced by \$2,083,000. It is also requested that Provisions 2 and 3 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

Reappropriation: Proposition 68 Local Assistance—It is requested that Item 3835-490 be added to reappropriate, until June 30, 2026, the balances of Proposition 68 local assistance funds as published in the 2020 and 2021 Budget Acts in order to implement projects in Disadvantaged and Severely Disadvantaged Communities (see Attachment 1). Applications for these projects have been delayed for reasons associated with the pandemic. The Conservancy's expansion in 2023 has allowed for engagement with the City of Los Angeles' empowerment zone and other, new opportunities for the use of Proposition 68 resources.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
David McNeill, Executive Officer, Baldwin Hills Conservancy

3835-490—Reappropriation, Baldwin Hills Conservancy. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

6088—California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access for All Fund

(1) Item 3835-101-6088, Budget Act of 2020 (Chs. 6, Stats. 2020)

(2) Item 3835-101-6088, Budget Act of 2021 (Chs. 21, Stats. 2021)

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Eliminate Budget Bill Item 3845-101-0001, Local Assistance, San Diego River Conservancy

San Diego River Conservancy: Technical Adjustment to Shift the Reduction of 2023-24 Appropriations—It is requested that Item 3845-101-0001 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

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Attention: Mark McKenzie, Staff Director
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Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Amanda Martin, Deputy Assistant Secretary of Administration and Finance, Natural
Resources Agency
Julia Richards, Executive Officer, San Diego River Conservancy

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 3850-101-0001, Local Assistance, Coachella Valley
Mountains Conservancy**

It is requested that Item 3850-101-0001 be reduced by \$5,083,000. It is also requested that Provisions 1 and 2 be eliminated. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Jim Karpiak, Executive Officer, Coachella Valley Mountains Conservancy
Kerrie Godfrey, Associate Governmental Program Analyst, Coachella Valley Mountains
Conservancy
Andrea Scharffer, Assistant Deputy Secretary for Bonds and Grants, Natural Resources Agency



Gavin Newsom ■ Governor

1021 O Street, Suite 3110 ■ Sacramento CA 95814 ■ www.dof.ca.gov

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Eliminate Budget Bill Item 3855-102-0001, Local Assistance, Sierra Nevada Conservancy

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Nature-Based Solutions)—It is requested that Item 3855-102-0001 be eliminated to reflect the reduction of \$26,250,000 of funding for conservancy nature-based solutions projects. The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department/agency level by shifting the reductions from the statewide control section to items of appropriation in the applicable departmental budgets.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Angela Avery, Executive Officer, Sierra Nevada Conservancy
Julie Alvis, Chief Deputy Executive Officer, Sierra Nevada Conservancy
Amy Lussier, Deputy Executive Officer for Administration, Sierra Nevada Conservancy

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Water Resources**

Organizational Support for Salton Sea Management—It is requested that Item 3860-001-0001 be increased by 3 positions ongoing to implement the Salton Sea Management Program, including the construction and management of approximately 29,800 acres of habitat and dust suppression projects.

Diablo Canyon Nuclear Power Plant Loan—It is requested that Item 3860-014-0001 be added to provide a loan from the General Fund to the Diablo Canyon Extension Fund consistent with Chapter 239, Statutes of 2022 (SB 846) (see Attachment 1).

Technical Adjustment to Shift the Reduction of 2023-24 Appropriations (Watershed Climate Resilience)—It is requested that Item 3860-101-0001 be reduced by \$30 million in 2023-24 and increased by \$72 million in 2024-25 for watershed climate resilience. The Governor's Budget reduced various items of appropriation in the 2023-24 fiscal year in Control Section 4.07 and delayed certain investments to future fiscal years. This is a technical adjustment to provide transparency at the department level by shifting the reductions and delays from the statewide control section to items of appropriation in the Department's budget.

Reduction of 2023-24 Appropriations (Various Water and Drought Resilience Investments)—It is requested that Item 3860-101-0001 be decreased by \$85 million one-time for flood and dam safety and Sustainable Groundwater Management Act Implementation. It is also requested that Item 3860-101-0001 be decreased by \$25 million in 2024-25 for flood and dam safety. Finally, it is requested that Item 3860-102-0001 be eliminated in 2023-24 for Salton Sea. As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to these programs to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

Flood Control Subventions Program—It is requested that Item 3860-101-0001 be increased by \$75 million one-time for the Flood Control Subventions Program. This program supports local flood control projects, including in communities impacted by recent storms such as the Pajaro River Flood Risk Management Project.

Technical Adjustment to Shift Reversion of 2022 Balances (Aqueduct Solar Panel Pilot Study and Watershed Climate Resilience)—It is requested that Item 3860-495 be added to revert \$15 million for the aqueduct solar panel pilot study and \$42 million for watershed climate resilience in the 2022 Budget Act (see Attachment 2). The Governor's Budget reverted these funds in statewide Control Section 4.06. This is a technical adjustment to provide transparency at the department level by shifting the reversions from the statewide control section to the Department's budget.

Reversion of 2021 and 2022 Balances (Various Water and Drought Resilience Investments)—It is requested that Item 3860-495 be added to revert \$24.5 million for the drought salinity barrier in the 2022 Budget Act, \$25 million for the Agriculture and Delta Drought Response Program (LandFlex) in the 2022 Budget Act, and \$89 million for the Salton Sea in the 2022 Budget Act (see Attachment 2). As a result of lower revenue projections and a resulting increase in the budget problem, the May Revision proposes adjustments to these programs to assist in closing the projected shortfall and ensuring the submission of a balanced budget plan.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierio, Principal Program Budget Analyst, at (916)324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Karla Nemeth, Director, Department of Water Resources
Stephanie Varrelman, Deputy Director, Business Operations, Department of Water Resources
Duard MacFarland, Budget Officer, Department of Water Resources

3860-014-0001—For transfer by the Controller, upon order of the Director of Finance, from the General Fund to the Diablo Canyon Extension Fund as a loan....(400,000,000)

Provisions:

1. Notwithstanding any other law, the Director of Finance may transfer up to \$400,000,000 as a loan to the Diablo Canyon Extension Fund from the General Fund for the purpose of being loaned to the company licensed to operate the Diablo Canyon Units 1 and 2 for extending operations of the Diablo Canyon powerplant facility, to dates that shall be no later than November 1, 2029, for Unit 1, and no later than November 1, 2030, for Unit 2. The Department of Finance may provide funds not sooner than 30 days after notifying, in writing, the Joint Legislative Budget Committee, or any lesser time determined by the chairperson of the joint committee, or the chairperson's designee.
2. It is the intent of Legislature to authorize an additional \$400,000,000 loan to the Diablo Canyon Extension Fund from the General Fund in fiscal year 2024-25.

3860-495—Reversion, Department of Water Resources. Notwithstanding any other law, as of June 30, 2023, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

1. \$15 million of the amount appropriated for solar demonstration projects in subschedule (a)(5)(A) of Section 35 in Chapter 574, Statutes of 2022 (AB 211).
2. \$42 million of the amount appropriated for watershed climate resilience in Item 3860-101-0001 in Chapter 574, Statutes of 2022 (AB 211).
3. \$89 million of the amount appropriated for Salton Sea in Item 3860-102-0001 of the Budget Act of 2022 (Chs. 43, 45, and 249, Stats. of 2022).

3398—California Emergency Relief Fund

1. \$25 million of the amount appropriated for the Agriculture Drought Response Program and Delta Drought Response Pilot program in Item 3860-101-3398 of the Budget Act of 2022 (Chapter 44, Stats. of 2022).
2. \$24.5 million of the amount for drought salinity barriers in subschedule (a)(2)(A) of Section 35 in Chapter 574, Statutes of 2022 (AB 211).

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Item 3875-101-0001, Local Assistance, Sacramento-San Joaquin Delta Conservancy

It is requested that Item 3875-101-0001 be reduced by \$7,375,000 one-time and Provision 1 be eliminated for nature-based solutions support (see Attachment 1). The Governor's Budget reduced various items of appropriations in the 2023-24 fiscal year in Control Section 4.07. This is a technical adjustment to provide transparency at the department level by shifting the reduction from the statewide control section to an item in the Sacramento-San Joaquin Delta Conservancy's budget.

The effect of my requested action is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Krystal Acierto, Principal Program Budget Analyst, at (916)324-0043.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Vince Fong, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, Natural Resources Agency
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Campbell Ingram, Executive Director, Sacramento-San Joaquin Delta Conservancy

Amend Item 3875-101-0001 as follows:

"3875-101-0001—For local assistance, Sacramento-San Joaquin Delta Conservancy...~~13,375,000~~6,000,000

Schedule:

(1) 3350-Sacramento-San Joaquin Delta Conservancy ... ~~13,375,000~~6,000,000

Provisions:

1. ~~Of the amount appropriated in this item, \$7,375,000 shall be available for climate resilience, community access, and natural resource protection.~~
2. Of the amount appropriated in this item, \$6,000,000 shall be available for wildfire and forest resilience efforts.
3. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2026.
4. Up to 5 percent of the amount appropriated in this item may be used for administrative costs."

May 12, 2023

Honorable Nancy Skinner, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Reimbursements, Support and Local Assistance, and Statutory Changes, Clean Energy Reliability Investment Plan—Various Departments.

This proposal includes resources for various departments related to implementing the Clean Energy Reliability Investment Plan (CERIP) prepared and adopted by the California Energy Commission and presented to the Legislature on March 1, 2023, pursuant to Chapter 239, Statutes of 2022 (SB 846). The CERIP supports programs and projects that accelerate the deployment of clean energy resources, support energy demand response, increase energy reliability, and assist ratepayers. This proposal allocates resources that were included in the Governor's Budget, but not yet distributed to the various departments, per the adopted CERIP.

CERIP Various Programs—It is requested that Item 3360-008-0001 be decreased by \$47 million in 2023-24, increased by \$400 million in 2024-25, and increased by \$495 million in 2025-26 to implement the CERIP. The decrease in 2023-24 reflects the adopted CERIP allocating \$53 million of the \$100 million available in 2023-24 to the California Energy Commission, with the remainder allocated as described below. It is also requested that statutory changes be added to effectuate the programs in the CERIP. This funding will focus on enabling investments, scaling demand-side and supply-side resources, and augmentations for extreme events (see Attachment 1).

CERIP Central Procurement Function—It is requested that Item 3860-001-0001 be increased by \$32 million in 2023-24 one-time and provisional language be added to implement the CERIP program to support the implementation of a central procurement function at the Department of Water Resources (see Attachment 2).

CERIP Energy Development, Permitting and Interconnection—It is requested that Item 0509-101-0001 be increased one-time by \$15 million in 2023-24, and \$5 million in 2025-26 and provisional language be added for the Governor's Office of Business and Economic Development to implement a CERIP program to address barriers throughout

the energy resource development process for local agencies, including navigating through permitting processes and requirements (see Attachment 3).

The effect of my requested actions is reflected on the attachment.

If you have any questions or need additional information regarding this matter, please call Eamon Nalband, Principal Program Budget Analyst, at (916) 322-2263.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony J. Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
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Honorable Vince Fong, Vice Chair, Assembly Budget Committee
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Honorable Josh Becker, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Bryan Cash, Assistant Secretary for Administration and Finance, Natural Resources Agency
Amanda Martin, Deputy Assistant Secretary for Administration and Finance, Natural Resources Agency
Rob Cook, Deputy Director, Energy Resources Conservation and Development Commission
Damien Mimnaugh, Chief Financial Officer, Energy Resources Conservation and Development Commission
Chris Dombrowski, Chief Deputy Director, Governor's Office of Business and Economic Development
Aracely Campa Ramirez, Senior Deputy Director, Strategic Program Planning and External Affairs, Governor's Office of Business and Economic Development
Karla Nemeth, Director, Department of Water Resources
Delphine Hou, Deputy Director for Statewide Water and Energy, Department of Water Resources
Duard MacFarland, Branch Manager, Division of Fiscal Services, Department of Water Resources

It is requested that 3360-008-0001 be amended as follows:

"3360-008-0001 – For support of State Energy Resources Conservation and Development Commission ~~205,000,000~~ 158,000,000

Schedule:

(1) 2380010-Power Plant Site Certification and Transmission Line Corridor Designation Program..... 105,000,000

(2) 2390010-Renewable Energy.....~~100,000,000~~ 53,000,000

Provisions:

1. The funds appropriated in ~~this Item~~ Schedule (1) shall be allocated as follows:

- ~~a. \$100,000,000 shall support the Clean Energy Reliability Investment Plan created in Chapter 239, Statutes of 2022 (SB 846).~~
- b. \$95,000,000 shall be used to support incentives for demand side grid support and associated mitigation costs.
- c. \$10,000,000 shall be used for administrative costs to support distributed electricity backup assets and utility scale assets including incentives for clean backup generation.

~~2. The funds appropriated in this item shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2027, and shall be available for liquidation until June 30, 2031.~~

The funds appropriated in Schedule (2) shall be allocated as follows:

- a. \$33,000,000 shall be used to implement a Clean Energy Reliability Investment Plan program to support near-term electric system reliability through additional funding for the Demand Side Grid Support Program and the Distributed Electricity Backup Assets Program.
- b. \$10,000,000 shall be used for administrative costs to support implementation of the Clean Energy Reliability Investment Plan.
- c. \$8,000,000 shall be used to implement a Clean Energy Reliability Investment Plan program to improve processes and provide resources that support engagement and technical assistance for communities of concern.
- d. \$2,000,000 shall be used to implement a Clean Energy Reliability Investment Plan program for critical planning studies, such as Transmission Corridor Planning, and implementing recommendations in the permitting roadmap for offshore wind resources.

3. The funds appropriated in this Item shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2027, and shall be available for liquidation until June 30, 2031."

Add the following provision to Item 3860-001-0001:

4. Of the funds in this item, \$32,000,000 shall be used to support a Central Procurement Function for diverse clean energy resources. The funds shall be available for encumbrance or expenditure until June 30, 2028, and shall be available for liquidation until June 30, 2030. If a determination is made by the California Public Utilities Commission that the Department will not perform this function, the remaining funds in this provision shall be transferred to the California Energy Commission upon order of the Director of Finance.

Add Provision 2 to Item 0509-101-0001

2. Of the amount appropriated in Schedule (1), \$15,000,000 shall be used to address barriers throughout the energy resource development process for local agencies, including navigating permitting processes and requirements. Notwithstanding any other law, these funds may be transferred to Item 0509-001-0001 upon order of the Department of Finance. The funds shall be available for encumbrance or expenditure until June 30, 2026, and liquidation until June 30, 2028.