



Gavin Newsom ■ Governor

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

May 13, 2022

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

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3125-101-0001 be added in the amount of \$5,250,000 in fiscal year 2022-23 and 2023-24 for additional resources to support programs and activities that advance multi-benefit and nature-based solutions. It is also requested that provisional language be included to provide extended encumbrance or expenditure through June 30, 2025 (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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Gabriel Petek, Legislative Analyst
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Jason Sisney, Assembly Speaker's Office
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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
Jane Freeman, Deputy Director, California Tahoe Conservancy
Kevin Prior, Director of the Land Division, California Tahoe Conservancy
Brent Coe, Director of Administration and Information Technology, California Tahoe
Conservancy
Matt Whalen, Senior Accounting Officer, California Tahoe Conservancy

3125-101-0001—For local assistance, California Tahoe Conservancy 5,250,000

Schedule:

(1) 2340-Tahoe Conservancy.....5,250,000

Provisions:

1. Funds appropriated in this item shall be available for expenditure or encumbrance until June 30, 2025, to fund programs and activities that advance multi-benefit and nature-based solutions.
2. The funds appropriated in this item shall be available for support or local assistance. No more than 5 percent of the amount appropriated in this item may be used for administrative support costs.

May 13, 2022

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 Items 3125-301-6088, 3125-301-0140, Reimbursements, and
Amendment to Budget Bill Item 3125-490, Capital Outlay, California Tahoe Conservancy**

Opportunity Acquisitions—It is requested that reimbursements be added to Item 3125-301-0140 in the amount of \$6.5 million one-time (see Attachment 1) and that Item 3125-301-6088 added in the amount of \$7.5 million one-time (see Attachment 2). Additionally, it is requested that Item 3125-490 be amended to provide additional encumbrance availability for the Opportunity Acquisitions Project appropriation from the 2019 Budget (see Attachment 3). These funds will allow for the acquisition and preservation of lands in environmentally sensitive or significant resource areas.

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.

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Agency
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Brent Coe, Director of Administration and Information Technology, California Tahoe
Conservancy
Matt Whalen, Senior Accounting Officer, California Tahoe Conservancy

3125-301-0140—For capital outlay, California Tahoe Conservancy, payable from the Environmental License Plate Fund 0

Schedule:

(1) 0001388-Opportunity Acquisitions ... 6,500,000

(a) Acquisition ... 6,500,000

(2) Reimbursements to 0001388-Opportunity Acquisitions ... -6,500,000

(a) Acquisition ... -6,500,000

3340-301-6088—For capital outlay, California Tahoe Conservancy, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund 7,500,000

Schedule:

(1) 0001388-Opportunity Acquisitions ... 7,500,000

(a) Acquisition ... 7,500,000

"3125-490—Reappropriation, California Tahoe Conservancy. The balances of the appropriations provided for 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, ~~2022~~2025:

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

- (1) Item 3125-301-6088, Budget Act of 2019
- (1) 0001388-Opportunity Acquisitions"

May 13, 2022

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 Various Budget Bill Items, and Addition of Item 3340-002-0001, Support, California Conservation Corps

Nonresidential Center, Los Angeles: Acquire Existing Facility—It is requested that Item 3340-001-6088 be decreased by \$2.7 million one-time to reflect the shift of funding from support to capital outlay to support the acquisition of the existing, leased non-residential facility in Los Angeles. The increase is reflected in the California Conservation Corps capital outlay finance letter.

Nature Based Solutions: Local and Tribal Corps—It is requested that Item 3340-002-0001 be added in the amount of \$35 million in 2022-23, and \$17 million in 2023-24, to expand educational and economic opportunities for youth climate leaders through the Local and Tribal Nature-Based Solutions Corps, consistent with Chapter 258, Statutes of 2021 (see Attachment 1).

Minimum Wage Adjustment—It is requested that Item 3340-001-0001 be increased by \$553,000, Item 3340-001-0318 be increased by \$195,000, Item 3340-001-3228 be increased by \$52,000, and Item 3340-002-3228 be increased by \$48,000 in 2022-23 to account for the increase in minimum wage from \$15.00 to \$15.50 per hour starting in January 2023 for corpsmembers. Under current law, this accelerated increase in the state's minimum wage is triggered as a result of growth in inflation of more than 7 percent.

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.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

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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
Bruce Saito, Director, California Conservation Corps
Dawne Bortolazzo, Chief, Administrative Division, California Conservation Corps
Sui Lim, Budget Officer, California Conservation Corps

3340-002-0001—For support of California Conservation Corps 35,000,000

Schedule:

(1) 2360-Training and Work Program.....35,000,000

Provisions:

1. Funds appropriated in this item shall be available for expenditure or encumbrance until June 30, 2027, to fund Local and Tribal Nature-Based Solutions Corps projects and associated administrative costs.

May 13, 2022

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 Items 3340-301-0660 and 3340-301-6088, Capital Outlay,
California Conservation Corps**

Residential Center, Auberry: New Residential Center—It is requested that Item 3340-301-0660 be added in the amount of \$54,978,000 one-time. The funds in this item will be used to construct a new residential center (see Attachment 1).

Nonresidential Center, Los Angeles: Acquire Existing Facility—It is requested that Item 3340-301-6088 added in the amount of \$2.7 million one-time to acquire the existing nonresidential center in Los Angeles. Acquisition of this facility will result in long term savings to the state through avoiding the need to make rental payments (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 Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

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Amanda Martin, Deputy 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

3340-301-0660—For capital outlay, California Conservation Corps, payable from the Public Buildings Construction Fund... 54,978,000

Schedule:

(1) 0001375-Residential Center, Auberry: New Residential Center ... 54,978,000

(a) Construction 54,978,000

3340-301-6088—For capital outlay, California Conservation Corps, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund 2,700,000

Schedule:

- (1) 0003214-Nonresidential Center, Los Angeles: Acquire and Renovate Existing Nonresidential Center ... 2,700,000
 - (a) Construction ... 2,700,000

May 13, 2022

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 3355-001-0462, Support, Office of Energy Infrastructure Safety

Continuation of Contract Implementation—It is requested that Item 3355-001-0462 be increased by \$15 million one-time in fiscal year 2022-23 to support continuation of various existing contracts including but not limited to safety cultural assessments, audits, project management, performance data analytics, trainings, and administrative 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 Stephen Benson, Principal Program Budget Analyst, at (916) 324-0043.

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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
Caroline Thomas Jacobs, Director, Office of Energy Infrastructure Safety
Tyler Morris, Chief of Administrative Services Division, Office of Energy Infrastructure Safety

May 13, 2022

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 Various Budget Bill Items, Support and Local Assistance, Energy Resources Conservation and Development Commission (CEC)

Energy Package: Distributed Electricity Backup Assets—It is requested that statutory changes be made to add Item 3360-008-0001 in the amount of \$55,000,000 one-time General Fund in 2021-22 and add Item 3360-108-0001 in the amount of \$495,000,000 one-time General Fund in 2021-22 to support incentives for clean backup generation and emissions control on large backup generators. It is also requested that Item 3360-008-0001 be increased in the amount of \$40,000,000 one-time General Fund in 2023-24 and Item 3360-108-0001 be increased in the amount of \$360,000,000 one-time General Fund in 2023-24 for the same programmatic purposes. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. This proposal accelerates funding for energy investments to address the immediate needs of the state at a point when the state has available resources and can align appropriations to the fiscal year in which the resources are available. Statutory language for this proposal is forthcoming (see Attachments 1 and 2).

Climate Innovation Grants—It is requested that Item 3360-007-0001 be added in the amount of \$10,000,000 General Fund one-time in 2022-23, \$32,500,000 in 2023-24 and 2024-25, and \$30,000,000 in 2025-26, and Item 3360-107-0001 be added in the amount of \$90,000,000 General Fund one-time in 2022-23, \$292,500,000 in 2023-24 and 2024-25, and \$270,000,000 in 2025-26 to support research activities that help California achieve its climate goals with grant recipients being required to be headquartered in California. Statutory language for this proposal is forthcoming (see Attachments 3 and 4).

Relief Package: Acceleration of Zero-Emission Vehicle Projects—It is requested that statutory changes be added to increase Item 3360-001-0001 by \$88,103,000 in 2021-22 and Item 3360-101-0001 by \$1,051,897,000 in 2021-22, with associated reductions of

\$400,000,000 in 2022-23, \$320,000,000 in 2023-24, \$300,000,000 in 2024-25, and \$120,000,000 2025-26, to accelerate various Zero-Emission Vehicle projects that were funded in the 2021 Budget Act and were proposed in the Governor's Budget. Accelerated projects include investments to build more passenger vehicle charging stations, medium and heavy duty vehicle infrastructure, and support for emerging opportunities. This acceleration provides relief to Californians facing high gas prices and helps move California toward clean transportation options that reduce the state's overall dependence on gas and fossil fuels (see Attachment 6 and 7).

Energy Package: Demand Side Grid Support—It is requested that statutory changes be made to add Item 3360-008-0001 in the amount of \$200,000,000 one-time General Fund in 2021-22 and Item 3360-008-0001 be added in the amount of \$95,000,000 one-time General Fund in 2023-24 to provide resources for demand side grid support technologies and mitigation activities. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. This proposal accelerates funding for energy investments to address the immediate needs of the state at a point when the state has available resources and can align appropriations to the fiscal year in which the resources are available. Statutory language for this proposal is forthcoming (see Attachment 1).

Energy Package: Carbon Removal—It is requested that Item 3360-007-0001 be increased by \$5,000,000 General Fund one-time in 2022-23 and 2023-24, and Item 3360-107-0001 be increased one-time by \$45,000,000 General Fund in 2022-23 and 2023-24 to provide resources to support technologies that will help with carbon capture. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming (see Attachments 3 and 4).

Lithium Valley Package—It is requested that Item 3360-006-0001 be increased by \$5,000,000 General Fund one-time in 2022-23 and statutory changes be added to support the development of Lithium Valley. This funding will support the County of Imperial and community based organizations in the county in engaging and reviewing geothermal energy development and lithium recovery, processing, production, and related manufacturing activities within the county. The statutory changes added will include support for community benefits from lease revenue of geothermal facilities, an excise tax on lithium recovered, streamlined delegation to counties for geothermal facilities, an expansion of the small power plant exemption threshold for geothermal facilities, the use of lithium tax proceeds to support operations, maintenance and restoration of the Salton Sea and grants to support disadvantaged communities, and a new lithium sector Sales Tax Exclusion within the California Alternative Energy and Advanced Transportation Financing Authority. This proposal is part of the Administration's Lithium Valley Package. Statutory language for this proposal is forthcoming (see Attachment 5).

Electric Program Investment Charge (EPIC) Program Administration Cap Increase—It is requested that Item 3360-001-3211 be increased by 23.5 positions and \$5,388,000 ongoing, Item 3360-101-3211 be decreased by \$5,388,000 ongoing, and Item 3360-001-0465 be decreased by 8.5 positions and \$1,275,000 ongoing to reflect an increase in the

administrative cap for the Electric Program Investment Charge Program from 10 percent to 15 percent approved by the Public Utilities Commission. This proposal also shifts resources previously funded by the Energy Resources Program Account Fund to the Electric Program Investment Charge Fund.

Energy Package: Energy Data Analysis—It is requested that Item 3360-005-0001 be increased by \$5,000,000 General Fund one-time in 2022-23 to provide resources to support the data warehousing and analysis of customer-level energy data CEC has acquired from investor-owned and publicly-owned utilities, which aid in the Commission's modeling of the clean energy transition. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package (see Attachment 8).

Energy Package: Opt-in Permitting—It is requested that statutory changes be added to support a new permitting option at the CEC that prioritizes the development of projects needed to enhance energy reliability while also providing opportunities for public, tribal, and local government engagement and environmental review. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming (see Attachment 9).

Energy Package: Planning Reserve Margin—It is requested that statutory changes be added to support CEC updating its energy planning standards to further promote electricity reliability by overseeing that all load serving entities that are members of the CAISO adequately incorporate the impacts of climate change and extreme weather into their planning reserve margins. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming.

Energy Package: Voluntary Offshore Wind and Coastal Resources Protection Program—It is requested that statutory changes be added to support the establishment of a program to be administered by CEC for the purposes of supporting state activities that complement and are in furtherance of federal offshore wind laws, including offshore wind lease conditions of the Bureau of Ocean Energy Management. The program shall award moneys to public and private entities through various mechanisms, including, but not limited to, grants. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming.

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 Teresa Calvert, Program Budget Manager, at (916)322-2263.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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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

3360-008-0001 – For support of State Energy Resources Conservation and Development Commission 255,000,000

Schedule:

(1) 2380010 - Power Plant Site Certification and Transmission Line Corridor Designation Program..... 255,000,000

Provisions:

1. 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, 2026, and shall be available for liquidation until June 30, 2030.
2. The funds appropriated in Schedule (1) shall be used as follows:
 - a. \$55,000,000 shall be used for administrative costs to support incentives for clean backup generation and emissions control on large backup generators.
 - b. \$200,000,000 shall be used for incentives for demand side grid support and associated mitigation costs.
3. With the funds appropriated in this item, the State Energy Resources Conservation and Development Commission:
 - a. The commission may adopt guidelines or other standards for this program at a commission business meeting. The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to guidelines or other standards for the program adopted at a commission business meeting.
 - b. May utilize and contract with any type of third-party block grant or incentive program implementers for the purposes of implementing the programs funded by this item.
 - c. Advance up to 25 percent of awarded funds at a time to parties that are eligible for funding for the purposes of this program.
4. Financial incentives provided with the funds in this item shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and do not need to comply with requirements under the State Contracting Manual, the Public Contract Code, or the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.
5. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 3360-108-0001. These transfers shall require the prior approval of the Department of Finance.

3360-108-0001 - For support of State Energy Resources Conservation and Development Commission 495,000,000

1. The funds appropriated in Schedule (1) shall be used to support distributed electricity backup assets including incentives for clean backup generation and emissions control on large backup generators.
2. With the funds appropriated in this item, the State Energy Resources Conservation and Development Commission:
 - a. The commission may adopt guidelines or other standards for this program at a commission business meeting. The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to guidelines or other standards for the program adopted at a commission business meeting.
 - b. May utilize and contract with any type of third-party block grant or incentive program implementers for the purposes of implementing the programs funded by this item.
 - c. Advance up to 25 percent of awarded funds at a time to parties that are eligible for funding for the purposes of this program.
3. Financial incentives provided with the funds in this item shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and do not need to comply with requirements under the State Contracting Manual, the Public Contract Code, or the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.
4. 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, 2026, and shall be available for liquidation until June 30, 2030.

3360-007-0001 – For support of State Energy Resources Conservation and Development Commission 15,000,000

Schedule:

(1) 2390019 – Research and Development Program..... 15,000,000

Provisions:

1. 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, 2025, and shall be available for liquidation until June 30, 2028.
2. Of funds appropriated in Schedule (1),
 - a. \$10,000,000 shall be used for administrative costs to support climate innovation research and development activities.
 - b. \$5,000,000 shall be used for administrative costs to support carbon removal research and development activities.
3. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 3360-107-0001. These transfers shall require the prior approval of the Department of Finance.

3360-107-0001 - For support of State Energy Resources Conservation and Development Commission 135,000,000

Schedule:

(1) 2390019 – Research and Development..... 135,000,000

1. Of the funds appropriated in Schedule (1),
 - a. \$90,000,000 shall be used to provide climate innovation research and development grants to companies headquartered in California.
 - b. \$45,000,000 shall be used to support carbon removal applied research and development grants, carbon removal prototype and pilot research centers, and carbon removal technology and demonstration grants.
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, 2025, and shall be available for liquidation until June 30, 2028.

3360-006-0001 – For support of State Energy Resources Conservation and Development Commission5,000,000

Schedule:

(1) 2390028-Renewable Energy5,000,000

Provisions:

1. Of the amount appropriated in Schedule (1), \$3,850,000 shall be provided as a grant to the County of Imperial to support the county's Programmatic Environmental Impact Report, a health impact assessment, and support for community outreach for geothermal energy development and lithium extraction, processing, production, and related manufacturing activities within the county.
 - a. Notwithstanding any other law, the commission may advance some or all of these funds to the county under conditions the commission sets and enter into an agreement with the county and encumber all of the funds in this project, even if part of the project involves preliminary engineering and environmental review work, including taking actions and preparing material to comply with the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) or federal environmental laws.
2. Of the amount appropriated in Schedule (1), up to \$800,000 shall be used for grants for engagement by community-based organizations in the County of Imperial on the Programmatic Environmental Impact Report created by the County of Imperial for lithium and geothermal energy development efforts in the county.
3. Of the amount appropriated in Schedule (1), \$350,000 shall be provided as a grant to the County of Imperial to support the activities of an ombudsperson to engage with stakeholders on lithium extraction, rare-earth minerals mining and renewable energy generation to provide enhanced communication by and between internal departments within the county as well as assistance in communication with state and federal agencies.
4. These grants shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and do not need to comply with requirements under the State Contracting Manual, the Public Contract Code, or the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

5. Notwithstanding any other law, the commission may make a single source or sole source award of these grants.
6. Up to 5 percent of the amount appropriated in Schedule 1 may be used for administrative costs.
7. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2024.

3360-001-0001—For support of State Energy Resources Conservation and Development Commission 95,000,000

Schedule:

(1) 2390010-Transportation Technology and Fuels 95,000,000

Provisions:

1. Notwithstanding any other provision of law, funds appropriated in this item may be transferred to Item 3360-101-0001. These transfers shall require the prior approval of the Department of Finance.
2. The funds appropriated in Schedule (1) shall be used as follows:
 - (a) \$8,500,000 shall be used for administrative costs to support charging and hydrogen refueling infrastructure for the deployment of zero-emission drayage trucks. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.
 - (b) \$3,000,000 shall be used for administrative costs to support charging and hydrogen refueling infrastructure for the deployment of zero-emission transit buses. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.
 - (c) \$1,750,000 shall be used for administrative costs to support charging and hydrogen refueling infrastructure for the deployment of zero-emission school buses. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.
 - (d) \$25,000,000 shall be used for administrative costs to support charging and hydrogen refueling infrastructure for zero-emission light-duty vehicles and medium- and heavy-duty vehicles. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2024, and shall be available for liquidation until June 30, 2026.
 - (e) \$6,250,000 shall be used for administrative costs to support manufacturing grants to increase in-state manufacturing of zero-emission vehicles, zero-emission vehicle components, and zero-emission vehicle charging or refueling equipment. These funds shall be available for encumbrance or expenditure by the State Energy Resources

Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(f) \$15,000,000 shall be used for administrative costs to support the deployment of Equitable At-home charging. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(g) \$30,000,000 shall be used for administrative costs to support charging infrastructure for light-duty electric vehicles. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(h) \$5,000,000 shall be used for administrative costs to support charging and hydrogen refueling infrastructure for the deployment of zero emission clean trucks, buses, and off-road equipment, including but not limited to, construction and agricultural vehicles and equipment. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(i) \$500,000 shall be used for administrative costs to support Emerging Opportunities which includes support of zero-emission aviation, locomotive, and marine vehicles and vehicle-grid integration efforts. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

3360-101-0001—For local assistance, State Energy Resources Conservation and Development Commission1,830,000,000

Schedule:

(1) 2390010-Transportation Technology and Fuels 1,830,000,000

Provisions:

1. With the funds appropriated in this item, the State Energy Resources Conservation and Development Commission shall administer a program to fund projects consistent with Section 44272 of the Health and Safety Code, with the following exceptions:

(a) The commission may adopt guidelines or other standards for this program at a commission business meeting following at least one public workshop. The Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code) does not apply to guidelines or other standards for the program adopted at a commission business meeting.

(b) Notwithstanding Section 44272 (e)(11), the commission may utilize and contract with any type of third-party block grant or incentive program implementers for the purposes of implementing the programs funded by this item. The commission may noncompetitively add funds to any existing block grants.

(c) In addition to the entities listed in Section 44272 (g)(3), the commission may advance up to 25 percent of awarded funds at a time to parties that are eligible for funding under Section 44272 for the purposes of this program.

(d) Notwithstanding Section 44272 (f) the commission may make a single source or sole source award without having to meet the requirements set forth in Section 25620.5 of Public Resources Code to parties that are eligible for funding under Section 44272 for the purposes of this program.

2. The commission may add these funds to and modify existing competitively awarded agreements and existing or new funding mechanisms, including solicitations, projects, and received applications.

3. No later than June 30, 2027, the Commission shall issue a report summarizing the outcomes created by this funding based on data collected pursuant to subdivisions (k) and (l) of Provision 6.

4. The commission may non-competitively award these funds as match share to entities receiving federal awards or federal financial support for projects consistent with Section 44272 of the Health and Safety Code. The intent of this authority is to be able to quickly use program funds to leverage federal funds to achieve even greater program benefits for California.

5. Notwithstanding any other law, a commission agreement entered into with these funds for projects consistent with Section 44272 and Provision 1 of this section shall not require the review, consent, or approval of the Department of General Services or any other state department or agency and are not required to comply with the requirements of the State Contracting Manual, the Public Contract Code, or the personal services contracting requirements of Article 4 (commencing with Section 19130) of Chapter 5 of Part 2 of Division 5 of Title 2 of the Government Code.

6. The funds appropriated in Schedule (1) shall be used as follows:

(a) \$161,500,000 shall be used to support charging and hydrogen refueling infrastructure for the deployment of zero-emission drayage trucks. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029

(b) \$57,000,000 shall be used to support charging and hydrogen refueling infrastructure for the deployment of zero-emission transit buses. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(c) \$33,250,000 shall be used to support charging and hydrogen refueling infrastructure for the deployment of zero-emission school buses. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(d) \$25,000,000 shall be used to support charging and hydrogen refueling infrastructure for the deployment of the drayage truck pilot project. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2024, and shall be available for liquidation until June 30, 2026.

(e) \$475,000,000 shall be used to support charging and hydrogen refueling infrastructure for zero-emission light-duty vehicles and medium- and heavy-duty vehicles. These funds shall be available for encumbrance or expenditure by the

State Energy Resources Conservation and Development Commission until June 30, 2024, and shall be available for liquidation until June 30, 2026.

(f) \$118,750,000 shall be used to support manufacturing grants to increase in-state manufacturing of zero-emission vehicles, zero-emission vehicle components, and zero-emission vehicle charging or refueling equipment. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2024, and shall be available for liquidation until June 30, 2026.

(g) \$285,000,000 shall be used to support the deployment of Equitable At-Home charging. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(h) \$570,000,000 shall be used to support charging infrastructure for light-duty electric vehicles. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(i) \$95,000,000 shall be used to support charging and hydrogen refueling infrastructure for the deployment of zero-emission clean trucks, buses, and off-road equipment, including but not limited to, construction and agricultural vehicles and equipment. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(j) \$9,500,000 shall be used to support Emerging Opportunities which includes support of zero-emission aviation, locomotive, and marine vehicles and vehicle-grid integration efforts. These funds shall be available for encumbrance or expenditure by the State Energy Resources Conservation and Development Commission until June 30, 2026, and shall be available for liquidation until June 30, 2029.

(k) Of the amount appropriated in this item to support manufacturing grants, the State Energy Resources Conservation and Development Commission shall not award more than \$50,000,000 in ZEV manufacturing grants per awardee from Item 3360-101-0001. The commission shall report as part of the 2022–23 and 2023–24 fiscal year budgets on the progress of this program, including projects funded, the rationale for funding those projects, and projected project outcomes. The commission shall approve awards at a business meeting. Projects should be selected based on the following criteria:

- (1) Likelihood that manufacturing activities would not have otherwise occurred in-state either in terms of the entity's presence in CA or at the scale that may not otherwise be achieved without the manufacturing grant.
- (2) Number and quality of direct and indirect jobs created.
- (3) Economic impact to the state.
- (4) Ability of the project to contribute to California's goals of zero-emission transportation.

(I) The commission shall collect the following data from recipients of funding from this item:

- (1) Number, type, date, and location of chargers or hydrogen refueling stations installed.
- (2) Nameplate capacity of the installed equipment, in kW for chargers and kg/day for hydrogen.
- (3) Number and type of outlets per charger.
- (4) Location type, such as street, parking lot, hotel, restaurant, or multi-unit housing.
- (5) Total cost per charger or refueling station, the subsidy from the commission per charger or refueling station, federal subsidy per charger or refueling station, utility subsidy per charger or refueling station, and privately funded share per charger or refueling station.
- (6) Data on the chargers over a twelve month period, including:
 - (A) Number of charging or refueling sessions.
 - (B) Average session duration.
 - (C) Average kWh or kg dispensed.
 - (D) Average charger or refueling station downtime.

3360-005-0001 – For support of State Energy Resources Conservation and Development
Commission 5,000,000

Schedule:

(1) 2390028 – Renewable Energy Program..... 5,000,000

Provisions:

1. Of the amount appropriated in Schedule (1), \$5,000,000 shall be used to operationalize customer energy meter data to support energy reliability and decarbonization efforts.
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, 2025, and shall be available for liquidation until June 30, 2027.

3360-001-3062 – For support of State Energy Resources Conservation and Development Commission, payable from the Energy Facility License and Compliance Fund
..... 6,634,000

Schedule:

(1) 2380010 - Power Plant Site Certification and Transmission Line Corridor Designation Program..... 6,491,000
(2) 2380037 – Management and Support..... 143,000

Provisions:

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

May 13, 2022

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 3480-001-3046, Support, and Items 3480-101-0001, 3480-102-0001, Local Assistance, Department of Conservation

Nature-Based Solutions: Climate Smart Land Management—It is requested that Item 3480-101-0001 be increased by \$14 million in fiscal year 2022-23 and \$6 million in 2023-24 to provide support for land managers implementing climate smart land management through a consolidated capacity and technical assistance program (see Attachment 1).

California Climate Information System (CalCIS)—It is requested that Item 3480-001-3046 be amended by increasing reimbursements by \$370,000 ongoing and 2 positions to provide project management support for the design and implementation for the CalCIS project. The CalCIS project will be a cloud-based system to provide critical data resources and data management products for the state to better achieve its climate and biodiversity goals.

Drought Resilience and Response Package: Multi-benefit Land Repurposing—It is requested that Item 3480-102-0001 be decreased by \$40 million in 2022-23 and statutory changes be made to increase Item 3480-102-0001 by \$40 million in 2021-22 to support regional capacity to repurpose agricultural land that can no longer be irrigated sustainably to reduce reliance on groundwater. This acceleration supports the immediate needs of the state and aligns appropriations to the fiscal year in which the resources are available. This includes provisional language to authorize up to 5 percent for administrative costs. (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 Andrew Hull, Principal Program Budget Analyst, at (916) 324-0043.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

"3480-101-0001—For local assistance, Department of Conservation.....
.....84,000,000 ~~70,000,000~~

Schedule:

(1) 2430-Land Resource Protection84,000,000 ~~70,000,000~~

Provisions:

1. Of the amounts appropriated in this item, \$20,000,000 shall be available for regional forest and fire capacity.
2. Of the amounts appropriated in this item, \$50,000,000 shall be available to the Department of Conservation, in coordination with the State Air Resources Board and the State Energy Resources Conservation and Development Commission, for pilot projects in the Sierra Nevadas to create carbon-negative fuels from materials resulting from forest vegetation management. All eligible projects shall identify a California use of the hydrogen or liquid fuel to be created and have a lifecycle analysis of the carbon emitted and sequestered from the project, including any emissions from related transportation needs of bringing the feedstock materials to the facility and delivering resulting fuels and carbon dioxide to its end uses. The Department of Conservation shall notify the Joint Legislative Budget Committee of proposed projects to be funded 30 days prior to the funds being issued.
- 2.5. Of the amount appropriated in this item, \$14,000,000 shall be available for technical assistance to support Climate Smart Land Management programs.
- 2.6. Not more than 5 percent of the amount appropriated in this item may be used for administrative costs.
3. The amounts appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025, and available for support or local assistance."

Amendment to Chapter 240, Stats. 2021 (SB 170)

"3480-102-0001—For local assistance, Department of Conservation.....
.....~~50,000,000~~ 90,000,000

Schedule:

(1) 2430-Land Resource Protection.....~~50,000,000~~ 90,000,000

Provisions:

1. The funds appropriated in this item shall be available to the Department of Conservation, in consultation with the Department of Water Resources, the Department of Fish and Wildlife, the State Water Resources Control Board, and the Department of Food and Agriculture, to implement the Multi-benefit Land Repurposing Program for groundwater sustainability projects that reduce groundwater use, repurpose irrigated agricultural land, and provide wildlife habitat. Projects may support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code). Eligible project expenditures include, but are not limited to, the following:

- (a) Projects that create or restore permanent wildlife habitat.
- (b) Projects that create or restore seasonal wetland habitat that provides aquifer replenishment.
- (c) Projects that improve groundwater supply, including groundwater recharge, improved base flows in rivers and streams, and groundwater supply improvement for fish and wildlife habitat.
- (d) Projects that convert land to less intensive water uses while maintaining natural and working lands.

2. Any groundwater recharge achieved under this item shall be subtracted from any calculation by the groundwater sustainability agency of groundwater available for extraction by water users for the duration of benefits paid for by the program. Payments shall be linked to achievement and delivery of defined conservation outcomes and the duration of those outcomes

3. The Department of Conservation shall prioritize achievement of disadvantaged community benefits when implementing this program.

4. The provisions of this item apply to critically overdrafted groundwater basins or parts of those basins managed under an approved groundwater sustainability plan or alternate plan, or high and medium priority groundwater basins where a state emergency drought declaration has been declared.

5. Not more than 5 percent of the amount appropriated in this item may be used for administrative costs."

May 13, 2022

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, and Statutory Changes, Department of Forestry and Fire Protection (CAL FIRE)

May Revision Update: Emergency Surge Capacity and Response Enhancements—It is requested that Item 3540-001-0001 be increased by \$8,037,000 and 34 positions in fiscal year 2022-23, \$7,639,000 in 2023-24 and 2024-25, and \$968,000 and five positions ongoing to reflect the staffing components of the 2022-23 Governor's Budget proposals to (1) purchase 4 additional Fire Hawk helicopters and (2) contract for 10 exclusive use helitankers each year for the next three years. It is also requested that Provision 12 be added to extend the encumbrance and expenditure period to June 30, 2025 for the funding proposed in the 2022-23 Governor's Budget for the purchase of four additional helicopters (see Attachment 1).

CAL FIRE Staffing to Support California Conservation Corps (CCC) and California Military Department (CMD) Fire Crews—It is requested that Item 3540-001-0001 be increased by \$104,358,000 and 238 positions in 2022-23 and \$49,932,000 and 270 positions ongoing to provide the CAL FIRE staffing component of the 2022-23 Governor's Budget proposals to add 8 new year-round CCC and CMD fire crews (four crews each) and convert 16 existing seasonal CCC and CMD crews to year-round crews (6 CCC and 10 CMD). This proposal also includes one-time funding for facility improvements necessary to support these crews, and it is requested that Provision 13 be added to extend the encumbrance and expenditure date of this facility improvements funding to June 30, 2025 (see Attachment 1).

Direct Mission Support – Total Force—It is requested that Item 3540-001-0001 be increased by \$29,259,000 in 2022-23, \$27,502,000 ongoing, and 190 positions; reimbursements be increased by \$7,538,000 in 2022-23 and \$7,179,000 ongoing; and Item 3540-002-3228 be increased by \$995,000 in 2022-23 and 948,000 ongoing to enhance staffing, improve operational effectiveness, and provide critical administrative

and program support necessary to sustain CAL FIRE's direct mission functions in an increasingly complex environment. CAL FIRE operates on a "total force" concept in that all areas of the department provide support to make the whole work. Providing sufficient administrative and program support resources is a critical first step to helping CAL FIRE's two regions and 21 units sustain the existing level of direct mission services to the public.

Staffing and Operational Enhancements Set-Aside—It is requested that Item 3540-001-0001 be decreased by \$400 million ongoing to remove a set-aside included in the 2022-23 Governor's Budget to improve the health and wellness of CAL FIRE firefighters and appropriately staff CAL FIRE to meet the evolving demands of wildland firefighting. The cumulative \$141,654,000 General Fund in 2022-23 and \$78,402,000 ongoing from the three preceding proposals in this letter partially offset this reduction, and the remainder of this set-aside continues to be carried in a statewide item related to employee compensation issues.

July through December Fire Protection Augmentation—It is requested that Item 3540-001-0001 be increased by \$83,065,000 one-time in 2022-23 to augment CAL FIRE's fire protection resources from July to December 2022 given current drought conditions, increasing fire severity and size, and declining inmate camp populations. This funding will support the continuation of 16 firefighter I fire crews, chainsaw operators to support CMD force package fire crews, expanded training center capacity to accommodate these crews, additional vehicle repair/maintenance funding, and associated administrative costs. It is also requested that Provision 14 be added to exempt CAL FIRE from specified contracting requirements to facilitate quickly implementing these resources (see Attachment 1).

Incremental Increase to Governor's Budget Proposals to Reflect Updated Pay Scales—It is requested that Item 3540-001-0001 be increased by \$729,000 ongoing, \$357,000 General Fund and \$372,000 reimbursements, to reflect incremental increases to several 2022-23 Governor's Budget proposals resulting from updated pay scales that were not available until after the release of the Governor's Budget. These proposals include the CAD/AVL Program Hardware and Service Refresh, Community Wildfire Preparedness and Mitigation Package (AB 9, AB 642, and SB 63), Office of Wildfire Technology Research and Development (SB 109), and Oroville full service local government agreement.

May Revision Update: Wildfire and Forest Resilience Package—It is requested that the following amendments be made:

It is requested that Item 3540-001-0001 be decreased by \$2 million in 2022-23 and 2023-24 to reflect the shift of this funding to the University of California's budget for its Fire Advisors Program, consistent with the intent of the 2022-23 Wildfire and Forest Resilience package.

It is requested that Item 3540-001-001 be decreased by \$10 million in 2022-23, and statutory changes be made to increase Item 3540-001-0001 by \$10 million in 2021-22, to accelerate funding for forest health and resources management projects, which

enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available. It is also requested that Provision 11 be added to Item 3540-001-0001 in 2022-23 and Provision 17 be added to Item 3540-001-001, Budget Act of 2021 to exempt CAL FIRE from specified contracting requirements for procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amounts appropriated in these items (see Attachments 1 and 2).

It is requested that Item 3540-101-001 be decreased by \$70 million in 2022-23, and statutory changes be made to increase Item 3540-101-0001 by \$70 million in 2021-22, to accelerate funding for forest health and resources management projects, which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available. It is also requested that Provision 3 be added to Item 3540-101-0001 in 2022-23 and Provision 4 be added to Item 3540-101-001, Budget Act of 2021 to exempt CAL FIRE from specified contracting requirements for procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amounts appropriated in these items (see Attachments 3 and 4).

It is requested that 48 positions be authorized to support implementation of programs and projects funded within the resources previously proposed in the 2022-23 Wildfire and Forest Resilience package.

It is requested that statutory changes be made to extend and expand the California Environmental Quality Act exemption for forest health and wildfire resilience projects conducted on federal land with state funding or projects that span both federal and state land that have a National Environmental Policy Act document.

Nature-Based Solutions: Wildland Grazing (Fire Prevention Grant Program)—It is requested that Item 3540-101-0001 be increased by \$5 million in 2022-23 and 2023-24 for wildland grazing projects within the Fire Prevention Grant Program that advance multi-benefit and nature-based solutions. This proposal includes provisional language to provide extended encumbrance and expenditure through June 30, 2025 (see Attachment 4).

Extreme Heat: Green Schoolyards (Urban Forestry)—It is requested that Item 3540-102-0001 be added in the amount of \$25 million in 2022-23 and 2023-24 to support green school campuses and transportation corridors and scale relevant maintenance training. These funds will be administered to support low-income schools vulnerable to extreme heat through CAL FIRE's Urban and Community Forestry program. This approach will leverage the program's scientific and technical expertise and relationships with local agencies. This proposal includes provisional language to provide extended encumbrance and expenditure through June 30, 2025 (see Attachment 5).

Reappropriation of the 2019-20 and 2020-21 Appropriations for Acquisition of New Helicopters

—It is requested that Item 3540-492 be added to reappropriate, until June 30, 2025, the balances of the 2019-20 and 2020-21 appropriations provided for the acquisition of S70i Fire Hawk helicopters to replace CAL FIRE's Vietnam-era helicopters. Completion of these acquisitions has been delayed by a point-in-time contractual issue between the state and its vendor that has since been resolved (see Attachment 6).

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.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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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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
Amanda Martin, Deputy Assistant Secretary for Administration and Finance, Natural
Resources Agency
Becca Moore, Deputy 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
Gabrielle Avina, Deputy Director, Cooperative Fire Protection, Department of Forestry and
Fire Protection
Kerry Garcia, Deputy Director, Fiscal Services, Department of Forestry and Fire Protection
Melissa Gamer, Budget Officer, Department of Forestry and Fire Protection

“3540-001-0001—For support of Department of Forestry and
Fire Protection 2,052,952,000 1,866,028,000

Schedule:

(1)	2461-Office of the State Fire Marshal	34,620,000	<u>38,417,000</u>
(2)	2465-Fire Protection	2,609,165,000	<u>2,437,376,000</u>
(3)	2470-Resource Management	43,969,000	<u>36,195,000</u>
(4)	2475-Board of Forestry and Fire Protection	361,000	
(5)	2480-Department of Justice Legal Services	6,828,000	
(6)	9900100-Administration	148,804,000	<u>181,075,000</u>
(7)	9900200-Administration—Distributed	=148,470,000	<u>180,741,000</u>
(8)	Reimbursements to 2461-Office of the State Fire Marshal	=21,411,000	<u>24,934,000</u>
(9)	Reimbursements to 2465-Fire Protection	=619,014,000	<u>626,649,000</u>
(10)	Reimbursements to 2470-Resource Management	-1,566,000	
(11)	Reimbursements to 9900100-Administration	-334,000	

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize the temporary or permanent redirection of funds from this item for purposes of emergency fire suppression and detection costs and related emergency revegetation costs.
2. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 45 percent of reimbursements appropriated in Schedule (9) of this item, to the Department of Forestry and Fire Protection, provided that:
 - (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.
 - (b) The loan is for a short term and shall be repaid by November 15 of the fiscal year following that in which the loan was authorized.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) Within 10 days after approval, the Director of Finance shall notify the Joint Legislative Budget Committee of the loan approved pursuant to this provision.
3. The Director of Finance may adjust amounts in Schedule (2) to provide equivalent fire protection base funding changes to contract counties in accordance with Section 4130 of the Public Resources Code.

4. Notwithstanding any other provision of law, the funds appropriated in this item for purposes of Division 10.5 (commencing with Section 12200) of the Public Resources Code shall be available for purposes of support or capital outlay.
5. Notwithstanding any other provision of law, the Director of Finance may adjust this item for the direct and indirect cost reimbursements received pursuant to Sections 4142 and 4144 of the Public Resources Code. Any increase shall occur no sooner than 30 days after notification in writing of the necessity of the increase to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine.
6. Notwithstanding any other provision of law, the Department of Forestry and Fire Protection may provide contractual services pursuant to Sections 4142 and 4144 of the Public Resources Code without an executed agreement from July to September of each fiscal year to better align contract start times with the budget process and to finalize staff benefit rates that are dependent upon actions by the Public Employees' Retirement System and passage of the annual Budget Act.
7. Notwithstanding any other provision of law and administrative procedure, the Department of Forestry and Fire Protection may amend its pilot and mechanic contract, along with its parts contract, for both scope changes and contracted amounts to address unanticipated workload resulting from higher than anticipated demand for these contracted services. The Department of Finance may augment this item and authorize expenditures in excess of the amounts appropriated in this item no sooner than 30 days after providing notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the designee, may in each instance determine.
8. The Department of Forestry and Fire Protection is exempted from any applicable provision of law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for exclusive use aviation aircraft, up to an aggregate annual contractual amount of \$67,000,000. Notwithstanding the foregoing, within 10 days after entering into each contract pursuant to this provision, the department shall notify the Joint Legislative Budget Committee of the contract amount, the duration of the agreement, and the type of aviation asset contracted for.
9. Of the funds appropriated in Schedule (2), \$25,000,000 shall be available for encumbrance or expenditure until June 30, 2027, for support or local assistance.

Not more than 5 percent of the amount specified in this provision shall be used for administrative costs.

10. Of the funds appropriated in Schedule (3), \$24,000,000 shall be available for encumbrance or expenditure until June 30, 2027, for support or local assistance. Not more than 5 percent of the amount specified in this provision shall be used for administrative costs.
11. The Department of Forestry and Fire Protection is exempt from any applicable provision of law requiring competitive bidding, subcontracting restrictions, and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services. This exemption is limited to procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amounts specified in Provisions 9 and 10.
12. Of the funds appropriated in Schedule (2), \$96,000,000 shall be available for encumbrance and expenditure until June 30, 2025 for the acquisition of four S70i Fire Hawk helicopters.
13. Of the funds appropriated in Schedule (2), \$36,509,000 shall be available for deferred maintenance and special repair projects at existing Department of Forestry and Fire Protection, California Conservation Corps, and California Military Department facilities to accommodate additional fire crews. These funds shall be available for encumbrance and expenditure until June 30, 2025.
14. Of the funds appropriated in Schedule (2), \$4,049,000 shall be exempt from any applicable provision of law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for moving specialized training courses off campus and off-site lodging and feeding for instructors and students, and for administrative support related to increased fire activity during the period from July to December 2022."

Statutory Changes to Amend Item 3540-001-0001, Budget Act of 2021:

“3540-001-0001—For support of Department of Forestry and
Fire Protection ~~1,607,393,000~~ 1,617,393,000

Schedule:

(1)	2461-Office of the State Fire Marshal	25,075,000
(2)	2465-Fire Protection	1,959,239,000
(3)	2470-Resource Management	203,612,000 <u>213,612,000</u>
(4)	2475-Board of Forestry and Fire Protection	3,560,000
(5)	2480-Department of Justice Legal Services	6,828,000
(6)	9900100-Administration	144,787,000
(7)	9900200-Administration—Distributed	-144,472,000
(8)	Reimbursements to 2461-Office of the State Fire Marshal	-18,333,000
(9)	Reimbursements to 2465-Fire Protection	-571,034,000
(10)	Reimbursements to 2470-Resource Management	-1,554,000
(11)	Reimbursements to 9900100-Administration	-315,000

Provisions:

1. Notwithstanding any other provision of law, the Director of Finance may authorize the temporary or permanent redirection of funds from this item for purposes of emergency fire suppression and detection costs and related emergency revegetation costs.
2. Notwithstanding any other provision of law, the Director of Finance may authorize a loan from the General Fund, in an amount not to exceed 45 percent of reimbursements appropriated in Schedule (9) of this item, to the Department of Forestry and Fire Protection, provided that:
 - (a) The loan is to meet cash needs resulting from the delay in receipt of reimbursements for services provided.
 - (b) The loan is for a short term and shall be repaid by November 15 of the fiscal year following that in which the loan was authorized.
 - (c) Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.
 - (d) Within 10 days after approval, the Director of Finance shall notify the Joint Legislative Budget Committee of the loan approved pursuant to this provision.

3. The Director of Finance may adjust amounts in Schedule (2) to provide equivalent fire protection base funding changes to contract counties in accordance with Section 4130 of the Public Resources Code.
4. Notwithstanding any other provision of law, the funds appropriated in this item for purposes of Division 10.5 (commencing with Section 12200) of the Public Resources Code shall be available for purposes of support or capital outlay.
5. Notwithstanding any other provision of law, the Director of Finance may adjust this item for the direct and indirect cost reimbursements received pursuant to Sections 4142 and 4144 of the Public Resources Code. Any increase shall occur no sooner than 30 days after notification in writing of the necessity of the increase to the Joint Legislative Budget Committee, or not sooner than whatever lesser time after notification the Chairperson of the Joint Legislative Budget Committee, or the chairperson's designee, may in each instance determine.
6. Notwithstanding any other provision of law, the Department of Forestry and Fire Protection may provide contractual services pursuant to Sections 4142 and 4144 of the Public Resources Code without an executed agreement from July to September of each fiscal year to better align contract start times with the budget process and to finalize staff benefit rates that are dependent upon actions by the Public Employees' Retirement System and passage of the annual Budget Act.
7. Notwithstanding any other provision of law and administrative procedure, the Department of Forestry and Fire Protection may amend its pilot and mechanic contract, along with its parts contract, for both scope changes and contracted amounts to address unanticipated workload resulting from higher than anticipated demand for these contracted services. The Department of Finance may augment this item and authorize expenditures in excess of the amounts appropriated in this item no sooner than 30 days after providing notification in writing of the necessity therefor to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and the appropriate subcommittees in each house of the Legislature that consider the budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the designee, may in each instance determine.
8. The Department of Forestry and Fire Protection is exempted from any applicable provision of law requiring competitive bidding or the supervision or approval of another department or agency of state government for the procurement of or contracting with vendors for exclusive use aviation aircraft, up to an aggregate annual contractual amount of \$21,723,000. Notwithstanding the foregoing, within 10 days after entering into each contract pursuant to this provision, the department shall notify the Joint Legislative Budget Committee of the contract amount, the duration of the agreement, and the type of aviation asset contracted for.

9. Of the amount appropriated in this item, \$5,000,000 shall be available to contract with an independent entity with a mission and a demonstrated expertise in supporting research and training on improving firefighter health and safety, advancing attack effectiveness, and promoting community resilience and awareness. This funding shall be available for encumbrance or expenditure until June 30, 2023.
10. Of the amount provided in this item, \$50,000,000 shall be expended to address deferred maintenance projects that represent critical infrastructure deficiencies. The amount allocated shall be available for encumbrance or expenditure until June 30, 2024.
11. Of the amount appropriated in this item, \$100,000,000 shall be available for encumbrance or expenditure until June 30, 2024, for near-term wildfire prevention and forest resilience activities, including, but not limited to, Department of Forestry and Fire Protection Unit fire prevention projects; the establishment of conservation easements through the Forest Legacy Program; priority urban forestry projects; and research, adaptive management, and monitoring.
12. Of the amount appropriated in this item, \$67,000,000 shall be available for expenditure or encumbrance until June 30, 2026, for longer term wildfire prevention and forest resilience efforts, including providing assistance to non-industrial landowners through the California Forest Improvement Program; supporting the Department of Forestry and Fire Protection nursery program to facilitate reforestation; defensible space inspections, public education, and outreach; and increasing support to local governments related to land use planning for wildfire risk reduction.
13. Of the amount appropriated in this item, \$21,200,000 shall be available for deferred maintenance and special repair projects at existing Department of Forestry and Fire Protection and California Conservation Corps facilities to accommodate additional fire crews. These funds shall be available for encumbrance and expenditure until June 30, 2024.
14. Of the amount appropriated in this item, \$3,200,000 shall be available for work related to Chapter 259 of the Statutes of 2020. These funds shall be available for encumbrance or expenditure until June 30, 2023.
15. Of the amount appropriated in Schedule (3), \$40,000,000 is for the Fire Prevention Grants program and shall be available for expenditure or encumbrance until June 30, 2026. This funding shall be available to benefit communities throughout the state regardless of vegetation type or types found within a project area. The funding shall be awarded using criteria that maintains fire risk severity as the primary factor, and then prioritizes projects that protect a larger population base or number of structures relative to the size of the grant. In addition, the Department of Forestry and Fire

Protection shall conduct outreach to potential grant applicants in areas of the state that have historically had a low application or participation rate in the Fire Prevention Grants program. No later than February 1, 2022, the Department of Forestry and Fire Protection shall report to the Legislature by county on the number and dollar amount of applications received and grants awarded pursuant to the Fire Prevention Grants program.

16. The Department of Forestry and Fire Protection is exempted from any applicable provision of law requiring competitive bidding and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services. This exemption is limited to the procurement of or contracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review, for fire prevention or post fire vegetation restoration projects funded from the amounts specified in Provision 15.
17. Of the amount appropriated in Schedule (3), \$10,000,000 shall be available for encumbrance and expenditure until June 30, 2025. The Department of Forestry and Fire Protection is exempt from any applicable provision of law requiring competitive bidding, subcontracting restrictions, and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services. This exemption is limited to procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amount specified in this Provision."

Statutory Changes to Amend Item 3540-101-0001, Budget Act of 2021:

"3540-101-0001—For local assistance, Department of
Forestry and Fire Protection ~~101,152,000~~ 171,152,000

Schedule:

(1) 2465-Fire Protection 14,298,000
(2) 2470-Resource Management ~~86,854,000~~ 156,854,000

Provisions:

1. The amount appropriated in Schedule (1) shall be available to fund one fuels crew in each of the following six counties, to assist with fuel reduction and fire prevention efforts: Kern, Los Angeles, Marin, Orange, Santa Barbara, and Ventura. This funding is provided on a one-time basis, in light of the staffing impacts that COVID-19 is having during this period of extreme fire conditions.
2. Of the amount appropriated in Schedule (2), \$67,854,000 shall be available for encumbrance or expenditure until June 30, 2024, for grants to support near-term post-fire recovery and restoration activities and workforce training and development.
3. Of the amount appropriated in Schedule (2), \$19,000,000 shall be available for encumbrance or expenditure until June 30, 2026, for tribal forest health grants to fund projects over multiple fiscal years.
4. Of the amount appropriated in Schedule (2), \$70,000,000 shall be available for encumbrance and expenditure until June 30, 2025. The Department of Forestry and Fire Protection is exempt from any applicable provision of law requiring competitive bidding, subcontracting restrictions, and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services. This exemption is limited to procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amount specified in this Provision."

"3540-101-0001—For local assistance, Department of
Forestry and Fire Protection ~~190,000,000~~ 125,000,000

Schedule:

(1) 2465-Fire Protection 80,000,000
(2) 2470-Resource Management ~~110,000,000~~ 45,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance, ~~expenditure, or liquidation~~ or expenditure until June 30, ~~2027~~ 2025, for support or local assistance. Not more than 5 percent of the amount ~~specified in this provision~~ shall be appropriated in this item may be used for administrative support costs.
2. Of the amount appropriated in Schedule (2), \$5,000,000 shall be used to fund wildland grazing projects within the Fire Prevention Grant Program that advance multi-benefit and nature-based solutions.
3. The Department of Forestry and Fire Protection is exempt from any applicable provision of law requiring competitive bidding, subcontracting restrictions, and the supervision or approval of another department or agency of state government, with the exception of the Department of General Services. This exemption is limited to procurement, contracting, or subcontracting with vendors for forest health, fire prevention, fuels reduction, vegetation management, or environmental review for fire prevention or post-fire vegetation restoration projects funded from the amount appropriated in Schedule (1) and \$40,000,000 of the amount appropriated in Schedule (2)."

3540-102-0001—For local assistance, Department of
Forestry and Fire Protection 25,000,000

Schedule:

(1) 2470-Resource Management 25,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025, for support or local assistance. Not more than 5 percent of the amount appropriated in this item may be used for administrative support costs.

3540-492—Reappropriation, Department of Forestry and Fire Protection. 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:

0001—General Fund

- (1) Item 3540-004-0001, Budget Act of 2019 shall be available for encumbrance or expenditure until June 30, 2025
- (2) Item 3540-004-0001, Budget Act of 2020 shall be available for encumbrance or expenditure until June 30, 2025

May 13, 2022

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,
California Department of Fish and Wildlife**

Drought Resilience and Response Package: Various Investments—

- It is requested that Item 3600-001-0001 be increased by \$2,816,000 and 6 positions ongoing to coordinate expedited permitting of priority large-scale habitat restoration projects.
- It is requested that Item 3600-001-0001 be increased by \$3.3 million one-time in fiscal year 2022-23 to support an Interagency Fish Passage Steering Committee. It is also requested that provisional language be added to allow for encumbrance or expenditure of this funding until June 30, 2024 (see Attachment 1).
- It is additionally requested that Item 3600-001-0001 be increased by 20 positions ongoing to support the State's ongoing efforts to address drought and long-term water resilience.
- It is requested that statutory changes be made to increase Item 3600-001-0001 by \$100 million one-time in 2021-22 for efforts to protect salmon, add Item 3600-001-3398 in the amount of \$17 million one-time in 2021-22 for climate-induced hatchery upgrades, and to add Item 3600-101-3398 in the amount of \$15 million one-time in 2021-22 for improving drought resiliency on state owned land for bird habitat (see Attachments 2, 3, and 4). It is also requested that provisional language be added to allow for encumbrance or expenditure of this funding until June 30, 2024.
- It is requested that Item 3600-006-0001 be decreased by \$75 million in 2022-23, and statutory changes be made to add Item 3600-001-3398 in the amount of \$75 million in 2021-22, for fish and wildlife protection (see Attachments 3 and 5). This funding was previously approved as part of the 2021-22 Water Resilience Package and supports programs and projects that improve environmental conditions to promote protection of fish and wildlife. It is also requested that Provision 2 be removed from Item 3600-006-0001 in 2022-23, and provisional language be added to

Item 3600-001-3398 in 2021-22, to allow funds to be available for encumbrance or expenditure until June 30, 2025.

This proposal accelerates funding to support the immediate needs of the state and aligns appropriations to the fiscal year in which the resources are available

Wireless In-Car Camera Systems—It is requested that Item 3600-001-0001 be increased by \$3,309,000 one-time in 2022-23 for wireless in-car camera systems for the Department's Law Enforcement Division to support transparency and to improve public safety outcomes. It is requested that provisional language be added to make this funding available for liquidation of encumbrance through June 30, 2028 (see Attachment 1).

Lake Tahoe Wildlife Response Management—It is requested that Item 3600-001-0140 be increased by \$2,245,000 one-time in 2022-23 to support Lake Tahoe wildlife management efforts to work with local governments and communities to manage bears and other wildlife in the Lake Tahoe community. Resources will support acquiring bear traps, radio collars, bear boxes, and equipment for genetic analysis.

Beaver Restoration—It is requested that Item 3600-001-0140 be increased by \$1,667,000 and 5 positions ongoing to support the implementation of a beaver restoration program within the Department. These resources will enable the department to revise beaver policies and guidelines, coordinate restoration efforts, proactively mitigate human-beaver conflict, and relocate beavers into watersheds through consultation with local partners, state and federal agencies, tribes and non-governmental organizations.

Hatcheries and Inland Fisheries Fund (HIFF) Realignment—It is requested that Item 3600-001-3103 be increased by \$5 million and 15 positions ongoing. This request aligns HIFF's expenditure authority with revenues and helps the Department maintain stability, structural balance, and supports associated workload.

Nature-Based Solutions: Various Programs—It is requested that Item 3600-007-0001 be increased by \$40 million one-time in 2022-23 for Wildlife Corridors and that Item 3600-102-0001 be added in the amount of \$90 million one-time in 2022-23 for the Wetlands Restoration Program and Natural Community Conservation Program Planning and Land Acquisition (see Attachments 6 and 7). These programs and activities advance multi-benefit and nature-based solutions, consistent with Chapter 258, Statutes of 2021.

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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
Charlton H. Bonham, Director, Department of Fish and Wildlife
Valerie Termini, Chief Deputy Director, Business Operations, Department of Fish and Wildlife
Dan Reagan, Deputy Director, Fiscal Services Division, Department of Fish and Wildlife

Amend Item 3600-001-0001 as follows:

"3600-001-0001—For support of Department of Fish and Wildlife
~~.....156,635,000~~ 169,032,000

Schedule:

(1) 2590-Biodiversity Conservation Program~~96,809,000~~ 104,626,000
 (2) 2595-Hunting, Fishing, and Public Use Program~~12,678,000~~ 13,067,000
 (3) 2600-Management of Department Lands and Facilities~~3,844,000~~ 4,000,000
 (4) 2605-Enforcement~~41,718,000~~ 45,747,000
 (5) 2610-Communications, Education and Outreach~~374,000~~ 377,000
 (6) 2615-Spill Prevention and Response~~346,000~~ 349,000
 (7) 2620-Fish and Game Commission~~866,000~~ 866,000

Provisions:

1. Of the amount provided in Schedule (1), \$1,090,000 is available to negotiate, complete, and implement voluntary agreements in tributaries to the Sacramento River, the San Joaquin River, and the Sacramento-San Joaquin Delta. These funds shall be used exclusively to directly enhance or improve public benefits and public trust resources.

2. Upon approval of the Director of Finance, funds appropriated in this item may be transferred between schedules.

3. By October 1 of each year, beginning in 2021 and ending in 2026, the department shall submit to the fiscal committees of the Legislature and the Legislative Analyst's Office a report summarizing outcomes of its Cutting the Green Initiative. The report shall include information related to the results of this initiative, beginning with the baseline year of 2020–21 and for each fiscal year thereafter, including: (1) a list and description of the projects initiated, (2) average permit processing times, (3) the number of permits granted, (4) specific strategies and changes implemented as part of the initiative, (5) lessons learned to improve ongoing permitting processes and restoration work, and (6) counties and watersheds in which the department has focused related efforts.

4. Of the amount provided in Schedule (4), \$3,309,000 shall be available for liquidation until June 30, 2028.

5. Of the amount provided in Schedule (1), \$3,300,000 is available for encumbrance or expenditure until June 30, 2024."

Amend Item 3600-001-0001 Budget Act of 2021:

"3600-001-0001—For support of Department of Fish and Wildlife...~~154,030,000~~ 254,030,000

Schedule:

(1)2590-Biodiversity Conservation Program	92,888,000 <u>192,888,000</u>
(2)2595-Hunting, Fishing, and Public Use Program	14,956,000
(3)2600-Management of Department Lands and Facilities	3,620,000
(4)2605-Enforcement	41,045,000
(5)2610-Communications, Education and Outreach	368,000
(6)2615-Spill Prevention and Response	330,000
(7)2620-Fish and Game Commission	823,000

Provisions:

1. Of the amount provided in Schedule (1), \$1,090,000 is available to negotiate, complete, and implement voluntary agreements in tributaries to the Sacramento River, the San Joaquin River, and the Sacramento-San Joaquin Delta. These funds shall be used exclusively to directly enhance or improve public benefits and public trust resources.

2. Upon approval of the Director of Finance, funds appropriated in this item may be transferred between schedules.

3. By October 1 of each year, beginning in 2021 and ending in 2026, the department shall submit to the fiscal committees of the Legislature and the Legislative Analyst's Office a report summarizing outcomes of its Cutting the Green Initiative. The report shall include information related to the results of this initiative, beginning with the baseline year of 2020–21 and for each fiscal year thereafter, including: (1) a list and description of the projects initiated, (2) average permit processing times, (3) the number of permits granted, (4) specific strategies and changes implemented as part of the initiative, (5) lessons learned to improve ongoing permitting processes and restoration work, and (6) counties and watersheds in which the department has focused related efforts.

4. Of the amount provided in Schedule (1), \$100,000,000 is available for encumbrance or expenditure until June 30, 2024."

Add Item 3600-001-3398 to the Budget Act of 2021:

3600-001-3398—For local assistance, Department of Fish and Wildlife...92,000,000

Schedule:

(1) 2590-Biodiversity Conservation Program.....92,000,000

Provisions:

1. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2024.

Add Item 3600-101-3398 to the Budget Act of 2021:

3600-001-3398—For local assistance, Department of Fish and Wildlife...15,000,000

Schedule:

(1) 2590-Biodiversity Conservation Program.....15,000,000

Provisions:

1. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2024.

Amend Item 3600-006-0001 as follows:

"3600-006-0001—For support of Department of Fish and Wildlife~~110,810,000~~ 35,810,000

Schedule:

- (1) 2590-Biodiversity Conservation Program~~81,796,000~~ 6,796,000
- (2) 2595-Hunting, Fishing, and Public Use Program810,000
- (3) 2600-Management of Department Lands and Facilities28,204,000

Provisions:

1. Of the amount provided in Schedule (1), \$35,000,000 is available for projects addressing urgent degrading water and habitat conditions due to climate change impacts. Eligible uses of these funds include purchasing water from willing sellers to benefit wildlife, protecting instream flows, building water conservation projects, implementing emergency restoration activities, and conservation strategies identified in the State Wildlife Action Plan with a priority on actions that protect the Species of Greatest Conservation Need identified in the Plan. These funds shall be available for encumbrance or expenditure until June 30, 2024.

~~2. Of the amount appropriated in this item, \$75,000,000 is available for mitigating fish and wildlife impacts associated with drought. These funds shall be available for encumbrance or expenditure until June 30, 2024."~~

Amend Item 3600-007-0001 as follows:

"3600-007-0001—For support of Department of Fish and Wildlife40,473,000 ~~473,000~~

Schedule:

(1) 2590-Biodiversity Conservation Program 40,368,000 ~~368,000~~

(2) 2600-Management of Department Lands and Facilities36,000

(3) 2605-Enforcement69,000

Provisions:

1. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2026, and for liquidation until June 30, 2028.

2. Of the funds appropriated in this item, \$40,000,000 shall be available to support programs and activities that advance multi-benefit and nature-based solutions."

3600-102-0001—For local assistance, Department of Fish and Wildlife.....90,000,000

Schedule:

(1) 2590-Biodiversity Conservation Program90,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.
2. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.
3. Of the funds appropriated in this item, \$90,000,000 shall be available to support programs and activities that advance multi-benefit and nature-based solutions.

May 13, 2022

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 3640-101-0001 and Statutory Changes, and Addition of Item 3640-103-0001, Local Assistance, Wildlife Conservation Board

Water Resilience Package: Wildlife Corridors/Fish Passage—It is requested that Item 3640-101-0001 be decreased by \$40 million in fiscal year 2022-23, and statutory changes be made to increase Item 3640-101-0001 in the amount of \$40 million in 2021-22, for wildlife corridor and fish passage projects (see Attachments 1 and 2). This proposal accelerates funding which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available. This funding was previously approved as part of the 2021-22 Water Resilience Package and supports programs and projects that improve environmental conditions to promote habitat connectivity projects for fish and wildlife. It is also requested that Provision 1 be removed from Item 3640-101-0001 in 2022-23, and budget bill language be added to Item 3640-101-0001 in 2021-22, to allow funds to be available for encumbrance or expenditure until June 30, 2025.

Nature-Based Solutions: Various Proposals—It is requested that Item 3640-103-0001 be added in the amount of \$202 million in 2022-23 and \$48 million in 2023-24 and 7 permanent positions for implementation of the Board's Nature-Based Solutions grant programs and the Resource Conservation Investment Strategies program. These programs and activities advance multi-benefit and nature-based solutions, consistent with Chapter 258, Statutes of 2021 (SB 155) (see Attachment 3).

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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
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Gabriel Petek, Legislative Analyst
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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 of Administration and Finance, Natural Resources Agency
John Donnelly, Executive Director, Wildlife Conservation Board
Rebecca Fris, Assistant Executive Director, Wildlife Conservation Board
Sarah Rattanasamay, Fiscal Officer, Wildlife Conservation Board

Amend Item 3640-101-0001 as follows:

"3640-101-0001—For local assistance, Wildlife Conservation Board~~262,000,000~~
222,000,000

Schedule:

(1) 2710-Wildlife Conservation Board~~262,000,000~~ 222,000,000

Provisions:

~~1. Of the amount appropriated in this item, \$40,000,000 shall be prioritized to address drought impacts on fish and wildlife.~~

2. Of the amount appropriated in this item, \$222,000,000 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. Project 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, 2025."

Statutory Changes to Amend Item 3640-101-0001 Budget Act of 2021:

"3640-101-0001—For local assistance, Wildlife Conservation Board.....~~96,000,000~~
136,000,000

Schedule:

(1) 2710-Wildlife Conservation Board.....~~96,000,000~~ 136,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, ~~2024~~ 2025.
2. Of the amount appropriated in this item, \$12,500,000 shall be provided for the removal of dams to preserve the federally endangered southern steelhead trout and to restore the natural watershed that is part of a project with the Department of Parks and Recreation with a federal cost share.
3. Of the amount appropriated in this item, \$105,000,000 ~~\$65,000,000~~ shall be prioritized to address drought impacts on fish and wildlife.
4. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.
5. Of the amount appropriated in this item, \$31,000,000 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. Project 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."

3640-103-0001—For local assistance, Wildlife Conservation Board202,000,000

Schedule:

(1) 2710-Wildlife Conservation Board202,000,000

Provisions:

1. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.
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 to support programs and activities that advance multi-benefit and nature-based solutions.

May 13, 2022

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 3760-001-0001 and Addition of Item 3760-103-0001,
Support and Local Assistance, State Coastal Conservancy**

State Coastal Conservancy Workload Support—It is requested that Item 3760-001-0001 be increased by nine positions one-time to provide resources and support to carry out programs related to access, trails, and conservation, as well as coastal, climate, and wildfire resilience. The State Coastal Conservancy received appropriations totaling \$91,960,000 General Fund in the 2021 Budget Act, and \$360 million General Fund is proposed in 2022-23 to implement these programs.

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3760-103-0001 be added in the amount of \$50 million one-time for the acquisition of real property. This proposed funding will be used for acquisitions of critical shoreline properties to protect natural resources, provide for public access, and implement the state's nature-based solutions agenda (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.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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
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Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
Helen Kang, Chief of Fiscal Services, State Coastal Conservancy
Sean Williamson, Budget Officer, State Coastal Conservancy
Prentiss Williams, Budget Officer, State Coastal Conservancy

3760-103-0001—For local assistance, State Coastal
Conservancy..... 50,000,000

Schedule:

(1) 2805032-Conservancy Programs..... 50,000,000

Provisions:

- 1. The amount appropriated in this item shall be available to support acquisitions that advance multi-benefit and nature-based solutions consistent with Chapter 258, Statutes of 2021 and shall be available for encumbrance or expenditure until June 30, 2025.
- 2. Not more than two percent of the amount available in this item may be used for administrative support costs.

May 13, 2022

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

Wireless In-Car Camera Systems—It is requested that Item 3790-001-0001 be increased by \$2.2 million one-time General Fund to purchase wireless in-car camera systems for peace officers to support transparency and to improve public safety outcomes (see Attachment 1).

General Fund Reimbursement Authority— It is requested that Item 3790-001-0001 add \$3,000,000 in reimbursement authority from General Fund to allow for improved processing of reimbursement transfers received from the General Fund. This authority will be used for costs associated with natural disasters such as wildfires, landslides, and any other statewide emergency where General Fund reimbursement is anticipated (see Attachment 1).

Office of Grants and Local Services (OGALS) Support Staffing—It is requested that Item 3790-001-0001 be increased by one position, Item 3790-001-6088 be increased by four positions, and Item 3790-001-0890 be increased by five positions ongoing. The Department's OGALS is experiencing significant workload increases due to various grant programs. The ten additional positions will improve the Department's program delivery obligations and funding for the positions can be absorbed through existing program delivery funds from General Fund, Proposition 68, and Federal Trust Fund.

K-12 and Interpretive Program Enrichment—It is requested that Item 3790-003-0001 be increased by \$15 million one-time General Fund for outdoor environmental education and access programming through the expansion of existing K-12 after school and distance learning programs (see Attachment 2).

African American History and Engagement in California State Parks—It is requested that Item 3790-003-0001 be increased by \$15 million one-time General Fund to partner with the California African American Museum to better tell the inclusive story of black history in state parks (see Attachment 2).

India Basin—It is requested that Item 3790-101-0001 be increased by \$25 million one-time General Fund for the India Basin project in San Francisco. Additionally, provisional language is requested to specify the use of the funds (see Attachment 3).

California State Library Parks Pass Program—It is requested that Item 3790-012-0001 (Attachment 4) be added to transfer \$13.5 million one-time General Fund to the State Parks and Recreation Fund for the California State Parks Pass Program. Additionally, it is requested that Item 3790-002-0392 be increased by \$13.5 million one-time and provisional language is requested for encumbrance until June 30, 2025 (Attachment 5). In the 2021 Budget Act, \$3 million General Fund was appropriated for the Department of Parks and Recreation to collaborate with the California State Library to provide state park passes to libraries for check out. The Department requests additional funding for the state parks pass program at public libraries to address high level of demand for the park passes and to address the related administrative workload.

Parks Bond Administrative Support—It is requested that Item 3790-001-6088 be increased by one position ongoing to address increasing workload needs of bond programs. The position will be funded by the \$60,000 California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund annually through 2025-26 that was requested in the Natural Resources Agency Bond and Technical Proposals April Finance Letter.

Colonel Allensworth State Historic Park – Visitor Center—It is requested that Item 3790-301-0001 be increased by \$40 million one-time General Fund for the construction phase of the Colonel Allensworth State Historic Park Visitor Center. Additionally, a scope change is requested to expand the visitor center facility. The expanded project scope and associated costs are the result of district, interpretive, and stakeholder outreach meetings with the design team in the early planning phase of the project. Additionally, provisional language is requested to allow up to \$24 million of the amount appropriated for this project to be available for state operations or capital outlay (see Attachment 6).

California Construction Cost Index Increases—Construction —It is requested that Items 3790-301-0001 (Attachment 6), 3790-301-0263 (Attachment 7), 3790-301-0392 (Attachment 8), 3790-301-6051 (Attachment 9) and 3790-301-6088 (Attachment 10) be increased by \$14.5 million one-time from various funds for the design phase and construction phases of various capital outlay projects. The national construction market has experienced significant inflation nationally since 2021. The May Revision requests to augment these projects accordingly. This request will address recent inflationary pressures in the construction market to ensure projects can proceed to the construction phase with adequate funding.

General Fund-0001

- Oceano Dunes SVRA: Le Sage Bridge Replacement: \$116,000

Off-Highway Vehicle Trust Fund-0263

- Carnegie SVRA: Road Reconstruction: \$2,398,000
- Heber Dunes SVRA: Water System Upgrades: \$326,000
- Hollister Hills SVRA: Waterline Expansion: \$250,000
- Prairie City SVRA: Initial Erosion Control: \$801,000
- Ocotillo Wells SVRA: Holmes Camp Water System Upgrades: \$238,000
- Ocotillo Wells SVRA: Auto Shop Addition: \$299,000

State Parks and Recreation Fund-0392

- Calaveras Big Trees SP: Caltrans Mitigation and Campsite Relocation: \$883,000

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

- El Capitan SB: Entrance Improvements: \$1,190,000
- Topanga SP: Rehabilitate Trippet Ranch Parking Lot: \$676,000

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

- Fort Ord Dunes SP: New Campground: \$3,822,000
- MacKerricher SP: Replace Water Treatment System: \$596,000
- Torrey Pines SP: Sewer and Utility Modernization: \$2,969,000

Local Assistance: Off-Highway Vehicle Trust Fund—It is requested that Item 3790-101-0263 be increased by \$34 million Off-Highway Vehicle Trust Fund for local assistance grants. The OHV local assistance program administered by the Off-Highway Motor Vehicle Recreation Division supports the planning, acquisition, development, maintenance, administration, operation, enforcement, restoration, and conservation of trails, trailheads, areas, and other facilities associated with the use of off-highway motor vehicles and programs involving off-highway motor vehicle safety or education (see Attachment 11).

Equitable Access Program: New State Park, Reappropriation—It is requested that Item 3790-491 be added to reappropriate \$5 million for the Equitable Access Program: New State Park for acquisition and development of the 1,600 acre Dos Rios property at the confluence of the San Joaquin and Tuolumne Rivers currently owned by the non-profit River Partners. Additionally, provisional language is requested for encumbrance until June 30, 2025 and for the fund to be available for acquisition, study, preliminary plans, working drawings, and construction (see Attachment 12).

Cannabis Watershed Protection Program Positions—It is requested that Item 3790-001-0392 be increased by 61 positions ongoing. These positions will support the Cannabis Watershed Protection Program implementation addressing immediate needs, including statewide efforts to prevent illegal cannabis cultivation in state parks, remediation of environmental impacts, and restoration of natural habitats and lands impacted by cannabis cultivation. This request will be supported by the Department's Cannabis Tax Fund allocation designated for these purposes.

State Parks Minimum Wage Increase—This request includes \$23,000 General Fund and \$11,000 State Parks and Recreational Funds to account for annual minimum wage increases for the Department of Parks and Recreation. This request is due to the California Minimum Wage Phase-In Requirements which indicates that for hourly minimum wage employers with employees of 25 or more, future rates may be increased due to changes in the consumer price index.

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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On the following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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
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Honorable Bob Wieckowski, 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
Andrea Scharffer, Deputy Assistant Secretary, Natural Resources Agency
Liz McGuirk, Chief Deputy Director, Department of Parks and Recreation
Will Schaafsma, Deputy Director of Administrative Services, 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

"3790-001-0001—For support of Department
of Parks and Recreation..... 174,992,000 ~~173,244,000~~

Schedule:

(1) 2840-Support of the
Department of Parks and 177,992,000
Recreation..... ~~173,244,000~~

(2) Reimbursements to 2840-
Support of the
Department of Parks and
Recreation..... -3,000,000"

"3790-003-0001—For support of Department of 39,778,000
Parks and Recreation..... 9,778,000

Schedule:

(1) 2840-Support of the
Department of Parks and 39,778,000
Recreation..... 9,778,000

Provisions:

1. Notwithstanding any other law, the amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2027.
2. The amount appropriated in this item shall be available in the following amounts and for the following purposes:
 - a. \$9,778,000 shall be available to support the State Parks Tribal Lands Acknowledgements, Interpretation, and Exhibit Improvements.
 - b. \$15,000,000 shall be available for the K-12 and Interpretive Enrichment Program.
 - c. \$15,000,000 shall be available to support the African American History and Engagement in California State Parks.

~~The amount appropriated in this item shall be available to support the State Parks Tribal Lands Acknowledgement, Interpretation, and Exhibit Improvements".~~

"3790-101-0001—For local assistance, Department 28,000,000
of Parks and Recreation 3,000,000

Schedule:

(1) 2855047-Local Grants
..... 3,000,000

(2) 2855036-Recreational Grants
..... 25,000,000

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.

2. The funds appropriated in
Schedule (2) shall be available for
the following:

(a) \$25,000,000 shall be available
for the India Basin project.

3. Not more than 5 percent of the amount
appropriated in Schedule (2) may be used
for administrative costs of the programs
described in Provision 2.

4. Notwithstanding any other law, the amount
appropriated in Schedule (2) shall be
available for encumbrance or expenditure
until June 30, 2025.'

3790-012-0001—For transfer by the Controller, upon order of the Department of Finance,
to the State Parks and Recreation Fund.....13,500,000

"3790-002-0392—For support of Department of Parks and Recreation, payable from the State	19,500,000
Parks and Recreation Fund	6,000,000

Schedule:

(1) 2840-Support of the Department of Parks and Recreation	<u>19,500,000</u> 6,000,000
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Provisions:

1. ~~The \$6,000,000~~ of the amount appropriated in this item shall be available for support or capital outlay, and available for expenditure or encumbrance until June 30, 2024, for water, wastewater, and sewer system projects.
2. \$13,500,000 of the amount appropriated in this item shall be available for expenditure or encumbrance until June 30, 2025, to support the California State Parks Pass Program."

"3790-301-0001—For capital outlay, Department of Parks and Recreation..... 43,633,000
3,517,000

Schedule:

(1) 0003194-Oceano Dunes SVRA: Le Sage 1,023,000
Bridge Replacement..... 907,000

(a) Construction..... 1,023,000
907,000

(2) 0005276-Fort Ross SHP: Visitor and
Educational Improvements..... 1,817,000

(a) Working
drawings..... 1,817,000

(3) 0001453-Pismo SB: Entrance Kiosk
Replacement..... 793,000

(a) Construction..... 793,000

(4) 0006867-Colonel Allensworth
SHP: Visitor
Center..... 40,000,000

(a) Construction
.....40,000,000

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, 2024.
2. Notwithstanding any other law, up to \$24,000,000 of the amount appropriated in Schedule (4) of this item may be available for expenditure for state operations or capital outlay."

"3790-301-0263—For capital outlay, Department of Parks and Recreation, payable from the Off-Highway Vehicle Trust Fund.....

5,312,000 ~~1,000,000~~

Schedule:

(1) 0005277-Statewide: OHV Feasibility

Studies for Acquisitions..... 1,000,000

(a) Study..... 1,000,000

(2) 0000213-Carnegie SVRA: Road
Reconstruction..... 2,398,000

(a) Construction..... 2,398,000

(3) 0000695-Heber Dunes SVRA: Water
System Upgrades..... 326,000

(a) Construction..... 326,000

(4) 0000754-Hollister Hills SVRA: Waterline
Expansion..... 250,000

(a) Construction..... 250,000

(5) 0000914-Prairie City SVRA: Initial Erosion
Control..... 801,000

(a) Construction..... 801,000

(6) 0001454-Ocotillo Wells SVRA: Holmes
Camp Water System
Upgrades..... 238,000

(a) Construction..... 238,000

(Page 2 of 2)

(7)	<u>0003192-Ocotillo Wells SVRA: Auto Shop</u>	
	<u>Addition.....</u>	<u>299,000</u>
(a)	<u>Construction.....</u>	<u>299,000</u> “

"3790-301-0392—For capital outlay, Department of Parks and Recreation, payable from the State Parks and Recreation Fund.....

0

Schedule:

(1) 0010238-Kings Beach SRA: Recreational Pier Replacement and Support Buildings.....	805,000
(a) Preliminary plans.....	805,000
(2) Reimbursements to 0010238-Kings Beach SRA: Recreational Pier Replacement and Support Buildings.....	-805,000
(a) Preliminary plans.....	-805,000
(3) 0010255-Mount Diablo SP: Visitor Center.....	90,000
(a) Preliminary plans.....	70,000
(b) Working drawings.....	20,000
(4) Reimbursements to 0010255-Mount Diablo SP: Visitor Center.....	-90,000
(a) Preliminary Plans.....	-70,000
(b) Working drawings.....	-20,000
	<u>883,000</u>

(5) 0001450-Calaveras Big Trees SP: Caltrans
Mitigation and Campsite
Relocation.....

(a) Construction..... -883,000

(6) Reimbursements to 0001450-Calaveras
Big Trees SP: Caltrans Mitigation Campsite
Relocation..... -883,000

(a) Construction..... -883,000

Provisions:

1. Notwithstanding any other law, the funds appropriated
in Schedules 1, 2, 3, and 4 of this item shall be available for
encumbrance or expenditure until June 30, 2024.

~~1. Notwithstanding any other law, the funds appropriated in this item shall be available
for encumbrance or expenditure until June 30, 2024."~~

"3790-301-6051—For capital outlay, Department of Parks and Recreation, payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006..... 6,236,000
4,370,000

Schedule:

- (1) 0000227-MacKerricher SP: Replace Water Treatment System..... 2,424,000
(a) Construction..... 2,424,000
- (2) 0000696-Malibu Creek SP: New Stokes Creek Bridge..... 79,000
(a) Working drawings..... 79,000
- (3) 0001451-Lake Oroville SRA: Gold Flat Campground Upgrades..... 1,677,000
(a) Construction..... 1,677,000
- (4) 0006839-Humboldt Redwoods SP: Replace Founders Grove Restroom..... 190,000
(a) Working drawings..... 190,000
- (5) 0000912-El Capitan SB: Entrance Improvements..... 1,190,000
(a) Construction..... 1,190,000
- (6) 0000932-Topanga SP: Rehabilitate Trippet Ranch Parking Lot..... 676,000
(a) Construction..... 676,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in Schedule (4) of this item shall be available for encumbrance or expenditure until June 30, 2024."

“3790-301-6088—For capital outlay, Department of Parks and Recreation, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund..... 15,679,000
8,292,000

Schedule:

- | | |
|---|-----------|
| (1) 0000765-McGrath SB: Campground
Relocation and Wetlands
Restoration..... | 1,288,000 |
| (a) Preliminary
plans..... | 146,000 |
| (b) Working
drawings..... | 1,142,000 |
| (2) 0002696-Pfeiffer Big Sur SP: Low-Cost
Alternative Coastal
Lodging..... | 4,693,000 |
| (a) Construction..... | 4,693,000 |
| (3) 0003197-Picacho SRA: Park Power
System Upgrade..... | 262,000 |
| (a) Working
drawings..... | 262,000 |
| (4) 0006838-Lake Perris SRA: Replace
Lifeguard Headquarters..... | 678,000 |
| (a) Working
drawings..... | 678,000 |
| (5) 0006867-Colonel Allensworth SHP: Visitor
Center..... | 871,000 |
| (a) Working
drawings..... | 871,000 |

(6) 0007312-Silver Strand SB: Low-Cost
Accommodations..... 500,000

(a) Preliminary
plans..... 500,000

(7) 0000220-Fort Ord Dunes SP: New

Campground..... 3,822,000

(a) Construction..... 3,822,000

(8) 0000227-MacKerricher SP: Replace
Water Treatment System..... 596,000

(a) Construction..... 596,000

(9) 0000697-Torrey Pines SP: Sewer and
Utility Modernization..... 2,969,000

(a) Working
drawings..... 287,000

(b) Construction..... 2,682,000

Provisions:

1. Notwithstanding any other law, the funds appropriated in Schedules (1), (4), (5) and (6) shall be available for encumbrance or expenditure until June 30, 2024.
2. Notwithstanding any other law, the funds appropriated in Schedule (2) shall be available for encumbrance or expenditure until June 30, 2025."

"3790-101-0263—For local assistance,
 Department of Parks and Recreation, payable
 from the Off-Highway Vehicle Trust
 Fund..... 35,000,000~~1,000,000~~

Schedule:

(1) 2855-Local Assistance 35,000,000
 Grants..... ~~1,000,000~~

Provisions:

1. The funds appropriated in this item shall be available for grants to cities, counties, federal agencies, or special districts, as specified in Section 5090.50 of the Public Resources Code, to be available for encumbrance or expenditure until June 30, 2024."

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

0001—General Fund

(2) Item 3790-301-0001, Budget Act of 2020 (Chs. 6 and 7, Stats 2020), until June 30, 2025

(1) 0006914-Equitable Access Program: New State Park

(a) Acquisition

Provisions:

1. Notwithstanding any other law, the amount reappropriated in 0001-General Fund, Schedule (2) for 0006914-Equitable Access Program: New State Park shall be available for acquisition, planning, study, preliminary plans, working drawings, and construction.

May 13, 2022

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 Item 3810-101-0001, Amendment to Item 3810-103-0001, and Addition of Item 3810-104-0001, Local Assistance, Santa Monica Mountains Conservancy

Small and Urban Water Conservation—It is requested that Item 3810-101-0001 be eliminated in fiscal year 2022-23 and Statutory Changes be made to increase Item 3810-101-0001 by \$6,670,000 in 2021-22 to support various small and urban water conservation programs. This proposal accelerates funding to address the immediate needs of the state and aligns appropriations to the fiscal year in which the resources are available.

It is also requested that budget bill language be added to Item 3810-101-0001 in 2021-22 to make funds available for encumbrance or expenditure until June 30, 2025 (see Attachment 1).

Nature-Based Solutions: Liberty Canyon Wildlife Crossing—It is requested that Item 3810-103-0001 be increased by \$10 million one-time to provide additional funding for the completion of the Liberty Canyon Wildlife Crossing.

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3810-104-0001 be added in the amount of \$11.1 million one-time to provide resources to support programs and activities that advance multi-benefit and nature-based solutions. This request includes provisional language to allow funds to be available for encumbrance or expenditure until June 30, 2025 (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 Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

Statutory Changes to Amend Item 3810-101-0001 in the Budget Act of 2021:

"3810-101-0001—For local assistance, Santa Monica
Mountains Conservancy ~~10,000,000~~16,670,000

Schedule:

2945-Local Assistance
(1) Grants ~~10,000,000~~16,670,000

Provisions:

1. The amount appropriated in this item shall be available pursuant to Division 23 (commencing with Section 33000) of the Public Resources Code for projects that improve the climate resiliency or the protection of the Los Angeles River Watershed or are a part of the revitalization plan developed by the Upper Los Angeles River and Tributaries Working Group pursuant to Section 33220 of the Public Resources Code. The working group shall meet at least twice per year to evaluate and report progress on implementation and to propose any amendments to the revitalization plan to the Santa Monica Mountains Conservancy for adoption in the same manner pursuant to subdivision (e) of Section 33220 of the Public Resources Code. Any amendment to the revitalization plan adopted by the conservancy shall be submitted to the Assembly Committee on Water Parks and Wildlife and the Senate Committee on Natural Resources and Water and shall not become effective until 30 days following such submission.
2. ~~Of the the~~ amount appropriated in this item, ~~\$10,000,000~~ shall be available for encumbrance or expenditure until June 30, 2024. Of the amount appropriated in this item, \$6,670,000 shall be available for encumbrance or expenditure until June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs."

3810-104-0001—For local assistance, Santa Monica Mountains
Conservancy.....11,100,000

Schedule:

(1) 2945-Local Assistance Grants..... 11,100,000

Provisions:

1. The amount appropriated in this item shall be available to support programs and activities that advance multi-benefit and nature-based solutions consistent with Chapter 258, Statutes of 2021 and shall be available for encumbrance or expenditure until June 30, 2025.
2. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

May 13, 2022

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 Development Commission**

Contracted Fiscal Services—It is requested that Item 3820-001-0001 be increased by \$137,000 one-time to support contracted fiscal services with the Department of General Services. This funding will support necessary accounting assistance for the San Francisco Bay Conservation Development Commission (Commission).

Cash Flow Loan—It is requested that Item 3820-001-0001 be amended by adding provisional language to authorize a short-term cash loan of up to \$600,000 to provide the cash flow needed to facilitate execution of reimbursable contracts (see Attachment 1). Due to the relatively small budget size of the Commission, providing upfront cash to support contracts prior to receiving reimbursement is often difficult. The Commission anticipates entering into new reimbursable contracts and will, therefore, need authority for a short-term cash loan to provide the necessary upfront cash while awaiting reimbursement.

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.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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, California Natural Resources Agency
Larry Goldzband, Executive Director, San Francisco Bay Conservation and Development Commission
Peggy Atwell, Director of Administrative and Technology Services, San Francisco Bay Conservation and Development Commission

Add the following provision to Item 3820-001-0001:

1. The Director of Finance may authorize a short-term cash loan of up to \$600,000 from the General Fund to provide the cash flow needed to facilitate execution of reimbursable contracts. The cash loan shall be subject to the terms and conditions for repayment as may be prescribed by the Department of Finance. Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code. For purposes of the budgetary and legal bases of accounting and budgeting, the principal amount of any loans made pursuant to this provision shall not be considered part of the balance of the fund that receives the loan, nor shall it be deducted from the balance of the fund from which the loan is made. These loans are considered cashflow loans for temporary cash shortages and shall not constitute budgetary loans, revenues, or expenditures. The Department of Finance shall make the final determination of the budgetary and accounting transactions and treatments to ensure proper implementation of this provision pursuant to Section 13344 of the Government Code.

May 13, 2022

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 3825-001-0140, Support, and Elimination of Item 3825-101-0001, and Addition of Item 3825-102-0001, Local Assistance, and Statutory Changes, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Workload Support

—It is requested that Item 3825-001-0140 be increased by 3 positions to provide resources and support to carry out programs related to community access, natural resource protection, and conservation, as well as climate and wildfire resilience. The State Coastal Conservancy received appropriations of \$12 million General Fund in Budget Act of 2020 and \$36.1 million General Fund in Budget Act of 2021 to implement these programs.

Urban Streams and Rivers—It is requested that Item 3825-101-0001 be eliminated in fiscal year 2022-23 and Statutory Changes be made to increase Item 3825-101-0001 by \$6,670,000 in 2021-22 to accelerate funding into current year, given available resources, to support urban streams restoration efforts. It is also requested that budget bill language be added to Item 3825-101-0001 in 2021-22 to make funds available for encumbrance or expenditure until June 30, 2025 (see Attachment 1).

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3825-102-0001 be added in the amount of \$11.1 million one-time to provide resources to support programs and activities that advance multi-benefit and nature-based solutions. This request includes provisional language to allow funds to be available for encumbrance or expenditure until June 30, 2025 (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 Michael McGinness, Principal Program Budget Analyst, at (916) 445-9694.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

Statutory Changes to Amend Item 3825-101-0001 in Budget Act of 2021:

"3825-101-0001—For local assistance, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

.....

~~10,000,000~~ 16,670,000

Schedule:

2990-San Gabriel and
Lower Los Angeles Rivers
and Mountains
Conservancy

(1) ~~10,000,000~~ 16,670,000

Provisions:

1. The amount appropriated in this item shall be available pursuant to Division 22.8 (commencing with Section 32600) of the Public Resources Code for projects that improve the climate resiliency or the protection of the Los Angeles River Watershed or are consistent with the Lower Los Angeles River Revitalization Master Plan.
2. ~~Of the~~ Of the amount appropriated in this item, ~~\$10,000,000~~ shall be available for encumbrance or expenditure until June 30, 2024. Of the amount appropriated in this item, \$6,670,000 shall be available for encumbrance or expenditure until June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs."

3825-102-0001—For local assistance, San Gabriel and Lower Los Angeles Rivers and
Mountains Conservancy..... 11,100,000

Schedule:

(1) 2990-San Gabriel and Lower Los Angeles Rivers and Mountains
Conservancy..... 11,100,000

Provisions:

1. The amount appropriated in this item shall be available to support programs and activities that advance multi-benefit and nature-based solutions consistent with Chapter 258, Statutes of 2021 and shall be available for encumbrance or expenditure until June 30, 2025.
2. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

May 13, 2022

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 3830-101-0001, Local Assistance, San Joaquin River
Conservancy**

It is requested that Item 3830-101-0001 be added to provide \$1.3 Million one-time for the San Joaquin River Conservancy. The Administration proposes additional resources to support programs and activities that advance multi-benefit and nature-based solutions (see Attachment 1). This item will be available for encumbrance or expenditure until June 30th, 2025.

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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
John Shelton, Executive Officer, San Joaquin River Conservancy
Rebecca Raus, Associate Governmental Program Analyst, San Joaquin River Conservancy
Andrea Scharffer, Assistant Deputy Secretary for Bonds and Grants, Natural Resources Agency

3830-101-0001—For local assistance, San Joaquin River Conservancy, payable from General Fund	1,300,000
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Schedule:

(1) 3050-San Joaquin River Conservancy	1,300,000
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Provisions:

1. The amount appropriated in this item shall be available for nature-based climate solutions, biodiversity protection, and/or increased access to nature.
2. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

May 13, 2022

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, Local Assistance, Baldwin Hills
Conservancy**

It is requested that Item 3835-101-0001 be increased by \$1.3 Million for the Baldwin Hills Conservancy. The Administration proposes additional resources to support programs and activities that advance multi-benefit and nature-based solutions.

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.

KEELY MARTIN BOSLER
Director

By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

"3835-101-0001—For local assistance and capital outlay, Baldwin Hills Conservancy, payable from General Fund.....~~0~~-1,300,000

Schedule:

(1) 3090-Baldwin Hills Conservancy...	<u>2,300,000</u>
1,000,000	

(2) Reimbursements..... -1,000,000
Provisions:

1. The funds appropriated in this item shall be available for nature-based climate solutions, biodiversity protection, and/or increased access to nature.
- ~~1.~~ 2. The funds appropriated in this item shall be available for expenditure for local assistance and capital outlay until June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs."

May 13, 2022

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 3840-001-0140, 3840-001-0890, and Reimbursements, Support, Delta Protection Commission

State and Federal Reimbursement Authority Increases—It is requested that Item 3840-001-0140 be amended by increasing reimbursements by \$215,000 ongoing to support a contract with the California Department of Transportation for installing wayfinding and interpretative signs in the Delta. It is also requested that Item 3840-001-0890 be increased by \$150,000 ongoing to support development of the National Area Management Plan, implementation of projects described in the plan, and other administrative workload associated with the National Heritage Area.

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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
Erik Vink, Executive Director, Delta Protection Commission
Natasha Nelson, Assistant Executive Director, Delta Protection Commission

May 13, 2022

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

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3845-101-0001 be added in the amount of \$11.1 million one-time to fund programs and activities that advance multi-benefit and nature-based solutions. This request includes budget bill language to allow funds to be available for encumbrance or expenditure until June 30, 2025 (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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On the following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

3845-101-0001—For local assistance, San Diego River Conservancy..... 11,100,000

Schedule:

(1) 3140-San Diego River Conservancy..... 11,100,000

Provisions:

1. The amount appropriated in this item shall be available to support programs and activities that advance multi-benefit and nature-based solutions consistent with Chapter 258, Statutes of 2021 and shall be available for encumbrance or expenditure until June 30, 2025.
2. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

May 13, 2022

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 3850-001-0140 and Addition of Budget Bill
Item 3850-101-0001, Support and Local Assistance, Coachella Valley Mountains
Conservancy**

IT and Remote Workplace Support—It is requested that Item 3850-001-0140 be increased by \$15 thousand from the Environmental License Plate Fund to support the Conservancy's information technology (IT) and remote workplace needs. This request is a result of increased IT support that requires the Conservancy to enhance IT security and safety of remote working.

Nature Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3850-101-0001 be added to provide \$2.5 million for the Coachella Valley Mountains Conservancy. The Administration proposes additional resources to support programs and activities that advance multi-benefit and nature-based solutions (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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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

3850-101-0001—For local assistance, Coachella
Valley Mountains Conservancy-.....2,500,000

Schedule:

(1) 3180-Coachella Valley Mountains
Conservancy
.....2,500,00
0

Provisions:

1. The amount appropriated in this item shall be available for nature-based climate solutions, biodiversity protection, and/or increased access to nature.
2. The funds appropriated in this item are available for encumbrance or expenditure until June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

May 13, 2022

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 3855-001-8120 and Addition of Budget Bill
Item 3855-102-0001, Support and Local Assistance, Sierra Nevada Conservancy**

Cash Flow Loan—It is requested that Item 3855-001-8120 be amended by adding provisional language to authorize short-term loans, not to exceed a cumulative total of \$1,450,000, to be made from the General Fund to the Sierra Nevada Conservancy Fund to meet the cash flow needs of administering large reimbursements-based grant programs. Because of the Conservancy's relatively small budget, availability of upfront cash to support various grant agreements prior to receiving reimbursement is often difficult (see Attachment 1).

Nature-Based Solutions: Implementation of Conservancy Programs—It is requested that Item 3855-102-0001 be added in the amount of \$11,100,000 in 2022-23 and 2023-24 for additional resources to support programs and activities that advance multi-benefit and nature-based solutions. This includes provisional language to provide extended encumbrance, expenditure, and liquidation through June 30, 2027, and to allow up to five percent of this amount to be used for administrative costs (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.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
Amanda Martin, Deputy Assistant Secretary for Administration and Finance, Natural Resources Agency
Becca Moore, Deputy Assistant Secretary for Administration and Finance, Natural Resources Agency
Julie Alvis, Deputy Executive Officer, Sierra Nevada Conservancy
Amy Lussier, Administrative Services Chief, Sierra Nevada Conservancy
Lisa Primeaux, Budget Officer, Sierra Nevada Conservancy

Add the following provision to Item 3855-001-8120:

2. Notwithstanding any other law, one or more loans, not to exceed a cumulative total of \$1,450,000, shall be made available from the General Fund to the Sierra Nevada Conservancy Fund, to be transferred as needed to meet cash needs resulting from the delay in receipt of reimbursements. All moneys so transferred shall be repaid as soon as sufficient reimbursements have been collected to meet immediate cash needs, but not later than by October 31 of the fiscal year following that in which the loan was authorized. Interest charges may be waived pursuant to subdivision (e) of Section 16314 of the Government Code.

3855-102-0001—For local assistance, Sierra Nevada Conservancy 11,100,000

Schedule:

(1) 3220-Sierra Nevada Conservancy 11,100,000

Provisions:

1. Funds appropriated in this item shall be available for expenditure, encumbrance, or liquidation until June 30, 2027, to fund programs and activities that advance multi-benefit and nature-based solutions.
2. The funds appropriated in this item shall be available for support or local assistance. No more than 5 percent of the amount appropriated in this item may be used for administrative support costs.

May 13, 2022

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 Statutory Changes,
Support, Local Assistance, Capital Outlay, Department of Water Resources**

Energy Package: Strategic Reliability Reserve—It is requested that statutory changes be made to increase Item 3860-001-0001 by \$1.5 billion in 2021-22, and Item 3860-001-0001 be increased by \$445 million in 2022-23 and 25 positions ongoing, \$971 million in 2023-24, and \$667 million in 2024-25 and 2025-26, to support a strategic reliability reserve to further bolster the state's energy grid reliability as part of the Administration's Energy Reliability, Relief and Clean Energy Package. This proposal accelerates funding for energy investments to address the immediate needs of the state. This proposal accelerates funding which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available. It is also requested that provisional language be added to both items to make funds available for encumbrance or expenditure until June 30, 2027 (see Attachments 1 and 2).

National Flood Insurance Program Continued Implementation and Support—It is requested that Item 3860-001-0001 be increased by \$4 million in 2022-23, and \$3 million ongoing to support and implement the various requirements associated with the National Flood Insurance Program and the development of compliance tracking tools to meet annual reporting requirements.

Urban Flood Risk Reduction Projects—It is requested that Item 3860-001-0001 be increased by \$10 million one-time and Item 3860-301-0001 be increased by \$22 million one-time to support the completion of two existing projects to reduce the risk of flooding, loss of life, property, and major damages for urban areas in the Central Valley.

Water Use Efficiency and Drought Resilience—It is requested that Item 3860-001-0001 be increased by \$5 million and 1 position ongoing to support various statutory requirements

within the Water Use Efficiency Program to manage drought and water shortage preparedness, among other activities.

Drought Resilience and Response Package: Various Investments—It is requested that the following various amendments be made:

- **Expediting Large Scale Habitat Restoration**—It is requested that Item 3860-001-0001 be increased by \$1,752,000 and 7 positions ongoing to expedite planning, permitting, and implementation of large scale habitat restoration.
- **Support for Local Conservation Measures**—It is requested that Item 3860-001-0001 be decreased by \$5 million in 2022-23, and statutory changes be made to add Item 3860-001-3398 in the amount of \$5 million in 2021-22, for local conservation measures and aid in statewide emergency efforts. It is also requested that Provision 2 be removed from Item 3860-001-0001 in 2022-23, and provisional language be added to Item 3860-001-3398 in 2021-22, to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachments 2 and 3).
- **Technical Assistance**—It is requested that Item 3860-001-0001 be decreased by \$5 million in 2022-23, and statutory changes be made to add Item 3860-001-3398 in the amount of \$5 million in 2021-22, to support technical assistance provided to communities for drought response and aid in statewide emergency efforts. It is also requested that Provision 2 be removed from Item 3860-001-0001 in 2022-23, and provisional language be added to Item 3860-001-3398 in 2021-22, to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachments 2 and 3).
- **Central Valley Flood Protection Plan**—It is requested that Item 3860-001-0001 be increased by \$2.1 million one-time in 2022-23, to support updates and associated project management for the Central Valley Flood Protection Plan.
- **Reintroduction of Salmon Study**—It is requested that Item 3860-001-0001 be increased by \$4 million one-time in 2022-23, to support salmon reintroduction efforts across the state.
- **Administrative Positions**—It is increased that Item 3860-001-0001 be increased by 20 positions ongoing to aid in supporting the state's ongoing efforts to address drought and long-term water resilience.
- **Critical Data Collection**—It is requested that Item 3860-001-0001 be increased by \$16,750,000 ongoing beginning in 2023-24, and statutory changes be made to add Item 3860-001-3398 in the amount of \$16,750,000 in 2021-22, to support statewide data collection efforts. It is also requested that provisional language be added to Item 3860-001-3398 to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 3).
- **Drought Salinity Barrier**—It is requested that statutory changes be made to add Item 3860-001-3398 in the amount of \$27 million in 2021-22, for the installation and removal of drought salinity barriers to support drought resilience and response as well as aid in statewide emergency response efforts. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 3).
- **Water Storage Tanks**—It is requested that statutory changes be made to add Item 3860-001-3398 in the amount of \$21 million in 2021-22, to support the

purchase of water storage tanks to support drought response and aid in statewide emergency efforts. It is also requested that provisional language be added to make funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 3).

- Water Transfers Pilot Project—It is requested that statutory changes be made to add Item 3860-001-3398 in the amount of \$20 million in 2021-22, for a water transfers pilot project that supports drought resilience and aids in emergency response efforts. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 3).
- County Level Drought Planning Support—It is requested that statutory changes be made to add Item 3860-001-3398 in the amount of \$15 million in 2021-22, to support drought planning and response at the local level as well as aid in statewide emergency efforts. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 3).
- Urban Water District Drought Relief—It is requested that Item 3860-101-0001 be decreased by \$60 million in 2022-23, and statutory changes be made to add Item 3860-101-3398 in the amount of \$200 million in 2021-22, to support direct drought relief to local communities and aid in statewide emergency response efforts. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-3398 in 2021-22, as specified (see Attachments 4 and 5).
- Small Community Drought Relief—It is requested that Item 3860-101-0001 be decreased by \$60 million in 2022-23, and statutory changes be made to add Item 3860-101-3398 in the amount of \$100 million in 2021-22, to support direct drought relief to small communities and aid in statewide emergency response efforts. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-3398 in 2021-22, as specified (see Attachments 4 and 5).
- Conservation for Urban Suppliers—It is requested that Item 3860-101-0001 be decreased by \$75 million in 2022-23, and statutory changes be made to add Item 3860-101-3398 in the amount of \$75 million in 2021-22, to support conservation efforts in urban communities and aid in statewide emergency response efforts. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-3398 in 2021-22, as specified (see Attachments 4 and 5).
- Conservation for Small Suppliers— It is requested that Item 3860-101-0001 be decreased by \$25 million in 2022-23, and statutory changes be made to add Item 3860-101-3398 in the amount of \$25 million in 2021-22, to support conservation efforts in small communities and aid in statewide emergency response efforts. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-3398 in 2021-22, as specified (see Attachments 4 and 5).
- Turf Replacement—It is requested that Item 3860-101-0001 be decreased by \$75 million in 2022-23, and statutory changes be made to add

Item 3860-101-3398 in the amount of \$75 million in 2021-22, to support replacement of ornamental turf. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-3398 in 2021-22, as specified (see Attachments 4 and 5).

- Groundwater Recharge—It is requested that Item 3860-101-0001 be decreased by \$30 million in 2022-23, and statutory changes be made to increase Item 3860-101-0001 by \$56 million in 2021-22, to support projects contributing to implementation of the Sustainable Groundwater Management Act. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-0001 in 2021-22, as specified (see Attachments 4 and 6).
- Agriculture Drought Response Program and Delta Drought Response Pilot— It is requested that statutory changes be made to add Item 3860-101-3398 in the amount of \$60 million in 2021-22, to support two drought response programs that provide additional relief to farmers affected by the drought. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2025 (see Attachment 5).
- Migratory Bird Habitat—It is requested that statutory changes be made to add Item 3860-101-3398 in the amount of \$10 million in 2021-22, to support flooding of working landscapes to offset the impact of drought on various species. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2025 (see Attachment 5).
- Aquatic Habitat and Drought Resilience—It is requested that statutory changes be made to increase Item 3860-101-0001 by \$122 million in 2021-22, to support habitat restoration and aquatic habitat projects. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 6).
- Solar Demonstration Projects—It is requested that statutory changes be made to increase Item 3860-101-0001 by \$30 million in 2021-22, for solar demonstration projects to support the determination of potential future viability. It is also requested that provisional language be added to make the funds available for encumbrance or expenditure until June 30, 2024 (see Attachment 6).
- Contingency Funding—It is requested that statutory changes be made to amend Control Section 11.85 of the Budget Act of 2021, to increase the amount to \$96 million in 2021-22, to support additional contingency funding needed to address the drought emergency and aid in statewide emergency efforts, and to make the funds available for encumbrance or expenditure until June 30, 2023 (see Attachment 9).

This proposal accelerates funding to address the immediate needs of the state and enables the state to prioritize critical projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available.

Water Resilience and Drought Package: Various Investments—It is requested that the following various amendments be made:

- SGMA Implementation—It is requested that Item 3860-101-0001 be decreased by \$60 million in 2022-23, and statutory changes be made to increase Item 3860-101-0001 by \$60 million in 2021-22, to support implementation of the Sustainable Groundwater Management Act. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-0001 in 2021-22, as specified (see Attachments 4 and 6).
- Water Conveyance—It is requested that Item 3860-101-0001 be decreased by \$100 million in 2022-23, and statutory changes be made to increase Item 3860-101-0001 by \$100 million in 2021-22, to support water conveyance projects around the state. It is also requested that provisional language be amended in Item 3860-101-0001 in 2022-23 to reflect these changes, and provisional language be added to Item 3860-101-0001 in 2021-22, as specified (see Attachments 4 and 6).
- Salton Sea—It is requested that Item 3860-102-0001 be decreased by \$100 million in 2022-23, and statutory changes be made to increase Item 3860-102-0001 by \$100 million in 2021-22, to support habitat restoration efforts at the Salton Sea. It is also requested that provisional language be added to Item 3860-102-0001 in 2021-22, to make funds available for encumbrance or expenditure until June 30, 2025 (see Attachments 7 and 8).
- Urban Streams and Rivers—It is requested that Item 3860-102-0001 be decreased by \$6,660,000 in 2022-23, and statutory changes be made to increase Item 3860-102-0001 by \$6,660,000 in 2021-22, to support urban streams restoration efforts. It is also requested that provisional language be added to Item 3860-102-0001 in 2021-22, to make funds available for encumbrance or expenditure until June 30, 2025 (see Attachments 7 and 8).

This proposal accelerates funding which enables the state to prioritize these programs and projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available.

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 Acierito, Principal Program Budget Analyst, at (916) 324-0043.

KEELY MARTIN BOSLER

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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, California Natural Resources Agency
Amanda Martin, Deputy Assistant Secretary of Administration and Finance, Natural
Resources Agency
Karla Nemeth, Director, Department of Water Resources
Kathie Kishaba, Deputy Director, Business Operations, Department of Water Resources
Duard MacFarland, Budget Officer, Department of Water Resources

Statutory Changes to Amend Item 3860-001-0001 in the Budget Act of 2021:

"3860-001-0001—For support of Department of Water

Resources.....~~563,328,000~~ 2,063,328,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....163,565,000
 (2) 3240-Implementation of the State Water Resources Development
 System.....~~50,901,000~~ 1,550,901,000
 (3) 3245-Public Safety and Prevention of Damage.....364,802,000
 (4) 3250-Central Valley Flood Protection Board.....18,658,000
 (5) 3255-Services.....7,225,000
 (6) 9900100-Administration.....108,937,000
 (7) 9900200-Administration—Distributed.....-108,937,000
 (8) Reimbursements to 3230-Continuing Formulation of the California Water
 Plan.....-16,185,000
 (9) Reimbursements to 3240-Implementation of the State Water Resources
 Development System.....-581,000
 (10) Reimbursements to 3245-Public Safety and Prevention of Damage.....-9,737,000
 (11) Reimbursements to 3250-Central Valley Flood Protection Board.....-8,095,000
 (12) Reimbursements to 3255-Services.....-7,225,000

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. Of the amount appropriated in this item, \$101,000,000 for immediate drought support, \$25,000,000 for watershed climate studies, \$20,000,000 for an Aqueduct Solar Panel Pilot Study, and \$237,000,000 for deferred maintenance shall be available for encumbrance or expenditure until June 30, 2024.
3. Of the amount appropriated in this item, \$1,500,000,000 for a strategic reliability reserve shall be available for encumbrance or expenditure until June 30, 2027."

"3860-001-0001—For support of Department of Water
Resources.....219,087,000722,253,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....83,585,000
86,437,000
(2) 3240-Implementation of the State Water Resources Development
System.....18,884,000463,884,000
(3) 3245-Public Safety and Prevention of Damage.....129,161,000143,161,000
(4) 3250-Central Valley Flood Protection Board.....21,454,000
(5) 3255-Services.....7,317,000
(6) 9900100-Administration.....110,173,000
(7) 9900200-Administration—Distributed.....-110,173,000
(8) Reimbursements to 3230-Continuing Formulation of the California Water
Plan.....-14,564,000
(9) Reimbursements to 3240-Implementation of the State Water Resources
Development System.....-386,000
(10) Reimbursements to 3245-Public Safety and Prevention of
Damage.....-9,865,000
(11) Reimbursements to 3250-Central Valley Flood Protection
Board.....-9,182,000
(12) Reimbursements to 3255-Services.....-7,317,000

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. ~~Of the amount appropriated in this item, \$5,000,000 for Local Conservation Measures and \$5,000,000 for Drought Technical Assistance shall be available for state operations or local assistance.~~
3. Of the amount appropriated in this item, ~~\$3,000,000~~\$448,000,000 for resources to support energy reliability shall be available for encumbrance or expenditure until June 30, 2027."

Add Item 3860-001-3398 to the Budget Act of 2021:

3860-001-3398—For support of Department of Water Resources.....109,750,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....109,750,000

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. The funds appropriated in this item shall be available for expenditure or encumbrance until June 30, 2024, for state operations or local assistance.

"3860-101-0001—For local assistance, Department of Water
Resources.....710,000,000225,000,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....510,000,000125,000,000
~~(a) Urban Community Drought Relief.....(60,000,000)~~
~~(b) Small Community Drought Relief.....(60,000,000)~~
~~(c) Conservation for Urban Suppliers(75,000,000)~~
~~(d) Conservation for Small Suppliers(25,000,000)~~
~~(e) Turf Replacement.....(75,000,000)~~
~~(f) Groundwater Recharge(30,000,000)~~
~~(g) Sustainable Groundwater Management Program.....(60,000,000)~~
~~(h) Habitat Restoration Projects.....(125,000,000)~~
 (2) 3240-Implementation of the State Water Resources Development
 System.....200,000,000100,000,000
~~(a) Water Conveyance Projects.....(100,000,000)~~
~~(b) Oroville Pump Storage.....(100,000,000)~~

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
- ~~2. The funds appropriated in Schedules (1)(a), (1)(b), (1)(c), (1)(d), (1)(e), and (2)(a) shall be available for local assistance or state operations.~~
- ~~3. The funds appropriated in Schedules (1)(a) and (1)(b) shall support multiple benefits, including water supply reliability, ecosystem, and groundwater management benefits.~~
- ~~4. The funds appropriated in Schedule (2)(a) shall be available upon a determination by the Director of Water Resources that there is an adequate nonstate cost share to match the state financial assistance made available pursuant to this schedule.~~
5. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.
- ~~6. Any guidelines adopted to implement projects or activities funded by Schedules (1)(a), (1)(b), (1)(c), (1)(d), and (1)(e) are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.~~
- ~~7. A contract entered into pursuant to funding provided in Schedules (1)(a), (1)(b), (1)(c), (1)(d), and (1)(e) is exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code. The Department of Water Resources may award a contract under this section on a noncompetitive bid basis as necessary to implement projects or activities funded in these schedules.~~
8. The funds appropriated in Schedule (1)(h) and ~~(2)(a)~~ shall be available for encumbrance or expenditure until June 30, 2025.
9. The funds appropriated in Schedule (2)(b) shall be available for local assistance or capital outlay and shall be available for encumbrance or expenditure until June 30, 2027."

Statutory Changes to Add Item 3860-101-3398 to the Budget Act of 2021:

3860-101-3398—For local assistance, Department of Water Resources.....545,000,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....545,000,000

 (a) Urban Water District Drought Relief... (200,000,000)

 (b) Small Community Drought Relief.....(100,000,000)

 (c) Conservation for Urban Suppliers.....(75,000,000)

 (d) Conservation for Small Suppliers.....(25,000,000)

 (e) Turf Replacement.....(75,000,000)

 (f) Agriculture Drought Response Program and Delta Drought Response Pilot.....(60,000,000)

 (g) Migratory Bird Habitat.....(10,000,000)

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. The funds appropriated in this item shall be available for local assistance or state operations.
3. The funds appropriated in Schedules (1)(a) and (1)(b) shall support multiple benefits, including water supply reliability, ecosystem, and groundwater management benefits.
4. Any guidelines adopted to implement projects or activities funded in this item are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
5. A contract entered into pursuant to funding provided in this item are exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code. The Department of Water Resources may award a contract under this section on a noncompetitive bid basis as necessary to implement projects or activities funded in these schedules.
6. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.
7. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.

Statutory Changes to Amend Item 3860-101-0001 in the Budget Act of 2021:

"3860-101-0001—For local assistance, Department of Water
Resources.....~~783,000,000~~ 1,148,000,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....~~680,000,000~~ 918,000,000
 (a) Small Community Drought Relief.....(200,000,000)
 (b) Urban Community Drought Relief.....(100,000,000)
 (c) Multibenefit Projects.....(200,000,000)
 (d) Sustainable Groundwater Management Act
 Implementation.....~~(180,000,000)~~ (240,000,000)
(e) Groundwater Recharge Projects.....(56,000,000)
(f) Aquatic Habitat and Drought Resilience.....(122,000,000)
 (2) 3240-Implementation of the State Water Resources Development
 System.....~~100,000,000~~ 230,000,000
 (a) Water Conveyance Projects ~~(100,000,000)~~ (200,000,000)
(b) Solar Demonstration Projects.....(30,000,000)
 (3) 3245-Public Safety and Prevention of Damage.....3,000,000
 (a) Immediate Drought Support.....(3,000,000)

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. The funds appropriated in Schedules (1)(a) and (1)(b) shall be available for local assistance or state operations. Funds appropriated in these schedules shall support multiple benefits, including water supply reliability, ecosystem, drought resilience planning, and groundwater management benefits.
3. The funds appropriated in Schedule (2)(a) shall be available upon a determination by the Director of Water Resources that there is an adequate nonstate cost share to match the state financial assistance made available pursuant to this schedule.
4. The funds appropriated in Schedule (1)(c) shall be available for grants for watershed management projects that provide multiple benefits including, but not limited to, improved integration of groundwater and surface water management, other water supply benefits, and ecosystem improvements. Projects shall enhance regional drought resilience and align with the goals and objectives of the integrated regional water management plan.
5. The funds appropriated in Schedule (1)(d) shall be available for projects and planning and shall be available for encumbrance or expenditure until ~~June 30, 2023~~ June 30, 2025.
6. The funds appropriated in Schedules (1)(a), (1)(b), (1)(c), ~~(1)(f)~~, (2)(a), ~~(2)(b)~~, and (3)(a) shall be available for encumbrance or expenditure until June 30, 2024.

7. The funds appropriated in Schedules (1)(e) and (2)(a) shall be available for encumbrance or expenditure until June 30, 2025.

7. The funds appropriated in Schedules (1)(a), (1)(b), and (1)(c) shall be available for, but are not limited to, public agencies, public utilities, special districts, colleges and universities, mutual water companies, nonprofit organizations, regional water management groups as defined in Section 10539 of the Water Code, federally recognized California Native American tribes, and non-federally recognized Native American tribes on the contact list maintained by the Native American Heritage Commission for the purposes of Chapter 905 of the Statutes of 2004. These funds are available for projects or activities in all counties regardless of whether the county falls under an active state-proclaimed drought state of emergency.

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

9. Any guidelines adopted to implement projects or activities funded by Schedules (1)(a), (1)(b), and (1)(c) are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

10. A contract entered into pursuant to funding provided in Schedules (1)(a), (1)(b), and (1)(c) is exempt from Chapter 2 (commencing with Section 10290) of Part 2 of Division 2 of the Public Contract Code. The Department of Water Resources may award a contract under this section on a noncompetitive bid basis as necessary to implement projects or activities funded in these schedules.

11. The funds appropriated in Schedule (1)(d) shall be available for competitive grants that support implementation of the Sustainable Groundwater Management Act (Part 2.74 (commencing with Section 10720) of Division 6 of the Water Code).

12. Of the funds appropriated in Schedule (1)(d), \$60,000,000 shall be directed to projects that benefit groundwater basins in the San Joaquin Valley, and for the following purposes: (a) geophysical investigations of groundwater basins to identify recharge potential; (b) early implementation of existing regional flood management plans that incorporate groundwater recharge; and (c) projects in the San Joaquin Valley that would complement efforts of a local groundwater sustainability plan, that provide for floodplain expansion to benefit groundwater recharge or habitat. To expedite the execution of projects described in Schedule (1)(d), funds may be awarded through grants or direct expenditures to a public agency or a nongovernmental organization. Of the \$60,000,000, the department shall commit \$40,000,000 of these funds to projects by September 15, 2022."

Delete Item 3860-102-0001:

~~3860-102-0001—For local assistance, Department of Water Resources.....106,660,000~~

Schedule:

~~(1) 3230 Continuing Formulation of the California Water Plan.....106,660,000—
 (a) Salton Sea.....(100,000,000)
 (b) Urban Streams Restoration Program.....(6,660,000)~~

Provisions:

- ~~1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.~~
- ~~2. The funds appropriated in Schedule (1)(a) shall be available for local assistance, state operations, or capital outlay.~~
- ~~3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.~~
- ~~4. The funds appropriated in Schedule (1)(b) shall be available for urban streams restoration projects, including, but not limited to, multibenefit erosion and flood control improvements that provide community access to clean water, daylighting streams, creation of shaded corridors, and restoration natural infrastructure pursuant to Section 7048 of the Water Code.~~
- ~~5. The funds appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.~~

Statutory Changes to Amend Item 3860-102-0001 in the Budget Act of 2021:

"3860-102-0001—For local assistance, Department of Water
Resources.....~~50,000,000~~156,660,000

Schedule:

(1) 3230-Continuing Formulation of the California Water Plan.....~~50,000,000~~156,660,000
 (a) Salton Sea.....~~(40,000,000)~~(140,000,000)
 (b) Urban Streams Restoration Program.....~~(10,000,000)~~(16,660,000)

Provisions:

1. The amounts appropriated in this item may be transferred to the Water Resources Revolving Fund for direct expenditure in such amounts as needed to meet operational needs.
2. The funds appropriated in this item shall be available for encumbrance or expenditure until ~~June 30, 2024~~June 30, 2025.
3. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.
4. The funds appropriated in Schedule (1)(a) shall be available for state operations, local assistance, and capital outlay.
5. The funds appropriated in Schedule (1)(b) shall be available for urban streams restoration projects, including, but not limited to, multi-benefit erosion and flood control improvements that provide community access to clean water, daylighting streams, creation of shaded corridors, and restoration natural infrastructure pursuant to Section 7048 of the Water Code."

Statutory Changes to Amend Section 11.85 in the Budget Act of 2021:

SEC. 11.85.

(a) Notwithstanding any other law, the Department of Finance may adjust amounts in any item of appropriation to support costs associated with preparing for and responding to the drought state of emergency, including, but not limited to, costs for the Save Our Water Program, enforcement, species protection, ~~water conflict resolution and related legal training for the Judicial Branch~~, and drinking water shortages.

(b) The aggregate amount of General Fund appropriation increases provided under this section during the fiscal year may not exceed \$25,000,000.

(c) The aggregate amount of California Emergency Relief Fund appropriation increases provided under this section during the fiscal year may not exceed \$71,000,000.

(c) The Department of Finance shall notify the Joint Legislative Budget Committee of the amount augmented within 10 days after the augmentation is made.

(d) The appropriations cited in this section may occur until June 30, 2023.

May 13, 2022

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 3875-101-0001, Local Assistance, Sacramento-San Joaquin Delta Conservancy

Nature Based Solutions: Various Proposals—It is requested that Item 3875-101-0001 be added in the amount of \$41,250,000 in fiscal year 2022-23 and \$5,250,000 in 2023-24 for the Wetlands Restoration Program as well as for programs that support climate resilience, community access, and natural resource protection. These activities advance multi-benefit and nature-based solutions. It is also requested that provisional language be included to provide extended encumbrance or expenditure through June 30, 2025 (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 Krystal Acierto, Principal Program Budget Analyst, at (916) 324-0043.

KEELY MARTIN BOSLER
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Jim Nielsen, 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 Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Richard Bloom, 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
Campbell Ingram, Executive Director, Sacramento-San Joaquin Delta Conservancy
Brenda Lusk, Administration Supervisor, Sacramento-San Joaquin Delta Conservancy

3875-101-0001—For local assistance, Sacramento-San Joaquin Delta
Conservancy.....41,250,000

Schedule:

(1) 3350-Sacramento-San Joaquin Delta Conservancy41,250,000

Provisions:

1. Of the amount appropriated in this item, \$5,250,000 shall be available for climate resilience, community access, and natural resource protection.
2. Of the amount appropriated in this item, \$36,000,000 shall be available for wetland restoration efforts.
3. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2025.
4. Up to 5 percent of the amount appropriated in this item may be used for administrative costs.