

# Assembly Budget Committee

JESSE GABRIEL, CHAIR



## SUBCOMMITTEE REPORT 2024-2025 BUDGET

MAY 29, 2024

### TABLE OF CONTENTS

Overview .....	2
Subcommittee 1 on Health .....	9
Subcommittee 2 on Human Services.....	22
Subcommittee 3 on Education Finance .....	39
Subcommittee 4 on Climate Crisis, Resources, Energy and Transportation .....	50
Subcommittee 5 on State Administration .....	92
Subcommittee 6 on Public Safety .....	125



On January 10, 2024 the Governor proposed a state budget for the 2024-25 fiscal year, which identified a serious budget shortfall.

Since that time, both houses of the Legislature have worked intensely to craft a budget plan. This process has included dozens of public hearings, significant input from the public and stakeholders, an early action package that addressed much of the projected deficit from January, and most recently consideration of the Governor's May Revision submitted just two weeks ago.

And now, Assembly and Senate leaders are proposing a responsible, balanced, and on-time budget plan. If approved, this plan would shape the upcoming legislative budget bill, which must be passed on or before Saturday, June 15, 2024. The budget bill, one or more "budget bills jr." to amend that bill, and accompanying statutory "trailer" bills also will emerge as legislative negotiations with the Governor advance in the coming weeks.

(All figures in this document are preliminary and subject to final scoring in the coming days by the Department of Finance.)

### Overall:

**Balanced Budget.** The Legislature's Budget Plan is not only balanced through the 2024-25 budget year, but is also balanced through the 2025-26 budget year as well. All told, the Budget Plan addresses the administration's budget year projected shortfall of about \$45 billion and the 2025-26 shortfall of over \$30 billion.

- The Budget Plan is balanced in 2024-25, with a \$3.6 billion Regular Reserve and \$23 billion in total reserves – similar to the May Revision proposal.
- The Budget Plan is balanced in 2025-26, with a \$1.3 billion Regular Reserve and over \$13 billion in total reserves – around \$2 billion higher than the May Revision.
- **Budget Balancing Actions.** The Legislature's Budget Plan contains a total of \$46.9 billion in budget balancing actions for 2024-25 and \$29.3 billion 2025-26. The Budget Plan provides a balanced approach, with the balancing actions primarily coming from Program Reductions of \$16.6 billion and \$11.6 billion in 2024-25 and 2025-26, respectively, and Revenues of \$10.6 billion and \$7.8 billion in 2024-25 and 2025-26, respectively.

Here is a breakdown of the categories of budget balancing actions, in billions:

	<b>2024-25</b>	<b>2025-26</b>
<b>Reductions</b>	\$16.6	\$11.6
<b>Revenues</b>	\$10.6	\$7.8
<b>Delayed</b>	\$5.6	\$0.6
<b>Fund Shift</b>	\$7.2	\$1.8
<b>Deferral</b>	\$1.6	\$0.5
<b>Reserves</b>	\$5.3	\$7.4
<b>Total</b>	<b>\$46.9</b>	<b>\$29.8</b>

- **Summary of Reserves.** The Legislature’s Budget Plan uses less reserves on net than the Governor’s proposal over the next two years.
  - The Budget Plan uses \$12.2 billion of the Rainy Day Fund over the two fiscal years, the same total as the May Revision.
  - The Budget Plan uses \$450 million of the Safety Net Reserve, which is \$450 million less than the May Revision.
  - The Budget Plan, on net, uses about \$1 billion less of the Prop 98 Rainy Day Fund than the May Revision.
  - Here is breakdown of total reserves, in billions:

	<b>2024-25</b>		<b>2025-26</b>	
	<b>Leg</b>	<b>Gov</b>	<b>Leg</b>	<b>Gov</b>
Regular Reserve	\$3.6	\$3.4	\$1.3	\$0.7
Safety Net Reserve	\$0.5	\$0.0	\$0.5	\$0.0
Prop 98 Rainy Day Fund	\$1.1	\$0.0	\$1.1	\$0.0
Rainy Day Fund	\$17.9	\$19.4	\$10.5	\$10.5
<b>Total Reserves</b>	<b>\$23.0</b>	<b>\$22.9</b>	<b>\$13.3</b>	<b>\$11.2</b>

- **Responsible Budgeting Reforms.** The Legislative Budget Plan embraces important responsible budgeting reforms that will strengthen the state’s budget resilience in the future and help further avoid significant budget shortfalls. Details are still under discussion between the two houses and the Administration, but the basics include:
  - Updating the state’s Rainy Day Fund:
    - Increase the size of the Rainy Day Fund from 10 percent of the state budget to 20 percent.
    - Exclude deposits into the Rainy Day Fund from the state appropriations limit (Gann Limit) so that the budget is not constitutionally forced to allocate funds and can instead responsibly deposit funds into budget reserves to protect against future downturns.
    - The Assembly also has advanced the idea—originally included in bipartisan ACA 11 (as amended February 20, 2020), but stalled due to the pandemic—of expanding the Legislative Analyst’s Office (LAO) as part of the reserve ballot measure in order to enhance independent analysis, oversight, and transparency of public finances. An expanded LAO could help policy makers provide needed oversight of the budget reserves, the state’s fiscal health, and the effectiveness of state spending.
  - Creating a new “Projected Surplus Temporary Holding Account”:
    - This new fund will help avoid the problems the state has experienced since 2022. In that year, there was a significant surplus projected, and the budget allocated that surplus pursuant to constitutional requirements.
    - It turned out that the surplus was not as large as projected, but the budget had already allocated the surplus at the higher level.
    - Under this reform, a portion of any projected surplus will be deposited into Projected Surplus Temporary Holding Account where they will be held until a future year once it is clear whether the projected surplus of revenues actually materialized.

#### Education:

- **Overall Funding.** Funds Proposition 98 about \$1.9 billion higher than the May Revision, with some added revenues going to the Proposition 98 reserve.

- **Programmatic Funding.** Total program funding is roughly the same as the May Revision, but more is funded within the existing guarantee which result is less use of the Prop 98 Rainy Day Fund.
- **Updated Proposition 98 Proposal.** The Administration recently updated its Proposition 98 proposal, which would keep many aspects of their original proposal, but also include a suspension of Proposition 98 in the 2023-24 fiscal year. The suspension will result in higher ongoing funding for schools in future years than the Governor's original proposal. The Legislature continues to examine the new proposal.

### Higher Education:

- **UC and CSU Base Increase in 2024-25.** Provides a net base increase to each system in 2024-25 by funding the 2024-25 five percent base increases for the UC and CSU, foregoing the 2024-25 base increase deferral from the early action agreement, and adopting the May Revision proposal. Instead, the 2025-26 base increases are deferred by one year.
- **Key Institutes.** Restores funding for the UC Labor Centers and the UCLA Latino Policy and Politics Institute.
- **Financial Aid.**
  - Restores full funding for the Middle Class Scholarship program, which primarily benefits lower income students, rather than the May Revision proposal to dramatically reduce the program and force students into more student debt and hurt chances of thriving in the middle class upon graduation.
  - Implements a modified Cal Grant Reform which will benefit lower income students – particularly those at Community Colleges.
  - Provides \$20 million Proposition 98 General Fund one-time to assist community college financial aid offices with unexpected workload and circumstances due to FAFSA delays and to help support students who are still trying to complete the FAFSA.

### Climate and the Environment:

- **Greenhouse Gas Reduction Fund Shift.** Protects over \$5.2 billion in climate related investments by shifting the costs from the General Fund to the Greenhouse Gas Reduction Fund (GGRF).

- **Protects Key Investments.** Rejects cuts to Dam Safety and Offshore Wind Infrastructure and partially rejects cuts to Sustainable Agriculture, Water Recycling, Extreme Heat, Equitable Building Decarbonization, Watershed Resilience, Ocean and Coastal Protection, and the Habitat Conservation Fund.

#### Health:

- **MCO Health Investments.** Rejects the May Revision proposal to permanently eliminate over \$2.4 billion in annual new health investments scheduled to take effect January 1, 2025. Instead, the new investments generally will be delayed one year until January 1, 2026, and there will be some modest Legislative adjustments to the new investments. Some added MCO rate enhancements will start in 2025 under the Legislature's Budget Plan.
- **Public Health.** Rejects the May Revision's proposed cuts to Public Health programs.

#### Human Services:

- **Developmental Services Rates.** Rejects the proposal to delay the Developmental Services rate increase by one year.
- **Child Care Slots.** Restores funding for Child Care slots that have been recently offered, resulting in more than 11,000 funded slots than proposed in the May Revision.
- **Program Protections.** Rejects cuts to core programs, including CalWORKs, Forster Care, and In Home Supportive Services (IHSS).

#### Tax and Fee Actions:

- **Governor's Proposals.** Approves the Governor's proposal to suspend Net Operating Loss deductions and cap various business tax credits for three years. But, the Legislature's Plan starts the three year period earlier than the Governor so that the suspension and cap will be in place for tax years 2024, 2025, and 2026. The Legislature's Plan also includes several other tax and fee proposals advanced by the Governor, including changes to the MCO tax, changes to oil and gas-related taxation, changes to corporate tax apportionment law, and others.

#### Housing and Homelessness:

- **HHAP.** Provides \$1 billion to HHAP Round 6 to provide local governments continued funding to combat the homelessness crisis.

- **Low Income Housing Tax Credits.** Approves \$500 million for Low Income Housing Tax Credit program, as proposed by the Governor.
- **Affordable Housing.** Rejects proposed cuts to Multifamily Housing, Regional Early Action Planning (REAP) 2.0, and Housing Navigation and Maintenance Program.

**Transportation:**

- **Active Transportation.** Rejects the proposed cut to the Active Transportation Program, and shifts to the State Highway Account.
- **Rail.** Rejects the proposed cut to the Competitive Transit and Intercity Rail Capital Program.

**Public Safety and Corrections:**

- **Corrections Reductions.** Includes substantial new reductions to the Department of Corrections and Rehabilitation, including a modified version of the Governor's \$80 million proposal to deactivate unused beds and a \$170 million per year baseline cut in addition to the portion of the Governor's statewide administrative cuts that will affect the Department of Corrections and Rehabilitation. The Legislature intends for the administration to avoid cuts, as much as possible, to vital rehabilitation and family connection programs, among others.
- **Victims of Crime Act Funding.** Provides over \$100 million to backfill lost federal funds for the Victims of Crime Act program.
- **Non-Profit Security.** Provides \$80 million ongoing for non-profit security grants.
- **Program Protections.** Restores funding, in total in some cases, for key programs, including the Flexible Assistance for Survivors of Crime Grant program, the Public Defender Pilot Program, Adult Reentry Grant program, Court Reporters, Court Interpreters, and the Firearm Relinquishment program.

**Labor:**

- **Women in Construction.** Rejects the proposal to eliminate the Women in Construction Unit at the Department of Industrial Relations (DIR).

- **Program Protections.** Rejects cuts to California Youth Apprenticeship, California Youth Leadership Corps, and High Road Training Partnerships in Health and Human Services programs.
- **Workforce Education and Outreach.** Provides \$30 million in special funds for California Workplace Outreach Project (CWOP) at DIR.

**Statewide Savings:**

- **State Operations.** The Legislature's Plan accepts the Governor's ambitious 7.95% cut to most departments' General Fund state operations budgets and sweep of funding associated with many vacant positions, which collectively total about 10% of General Fund state operations and about \$3 billion of 2024-25 savings. The Legislature expects to be kept informed of the administration's progress throughout the year to achieve these savings and address impacts on public services that result.



# **Subcommittee No. 1 on Health**

**Assemblymember Dr. Akilah Weber, Chair**

## HEALTH

### Managed Care Organizations Tax

- Delays most rate increases projected to begin in January 1, 2025 to January 1, 2026, with some \$200 million of rates taking effect in the budget year. Also makes modest adjustments to the overall funding structure including additional legislative investments.
- Expands the MCO tax to MediCare providers, generating an additional \$689 million in General Fund savings in the budget year.
- Reflects \$3.8 billion in General Fund savings from the extension of the MCO tax and the drawdown of reserve funds in the budget year, as adopted in Early Action.
- Does not include \$115 million for the Children's Hospital New Directed Payment, as proposed in the May Revision.

### Department of Health Care Services

- Retains the Indian Health Clinic Program at the existing \$23 million annual ongoing appropriation.
- Retains \$8 million provided for Health Enrollment Navigators at Clinics.
- Cuts \$18 million for Health Enrollment Navigators.
- Retains \$2 million annually for the Free Clinic Augmentation.
- Retains the Acupuncture optional Medi-Cal benefit.
- Adopts, until July 1, 2028, a freeze in the cost of doing business adjustments for local county administration allocations for Medi-Cal eligibility. This freeze results in a \$20.4 million savings, growing to \$88.8 million in 2027-28.
- Adopts a \$39 million savings to the Naloxone Distribution Project from lower Naloxone drug costs due to CalRX.
- Ends continued funding for the Medication Assisted Treatment, which funds startup grants for new treatment facilities, for an annual savings of \$22 million.
- Adopts the proposed May Revision transition and end of the Child Health and Disability Program with provisional language to provide county flexibility on fund use and reporting of county expenditures during the budget year.

- Adopts trailer bill language to allow school districts to use a third party for billing related to the Children and Youth Behavioral Health Initiative fee schedule.
- Reverts \$47.1 million provided in the 2023 budget act for Defined Behavioral Health Program Grants.
- Delays General Fund expenditures for the Behavioral Health Continuum Infrastructure Program, using Proposition 1 funding instead in the budget year. The net result of this delay is \$326 million in the budget year and \$709.8 million in 2025-26.
- Eliminates funding in the Children and Youth Behavioral Health Initiative School-Linked Partnership and Capacity Grants for Community Colleges (\$100 million) and for the University of California/California State University (\$50 million).
- Eliminates funding for the Children and Youth Behavioral Health Initiative Services and Supports Platform, saving \$359.6 million.
- Reduces funding Behavioral Health Bridge Housing Program \$340 million, \$132.5 million in fiscal year 2024-25 and \$207.5 million in fiscal year 2025-26.
- Reduce funding for Equity and Practice Transformation Payments by \$111.3 million, which will eliminate the remaining funding for the program.
- Includes \$111 million in saving from the Intergovernmental Transfer Administration Fee for Enhanced Payment Program and Quality Incentive Pool.
- Eliminates the Major Risk Medical Insurance Program Elimination for a savings of \$78.9 million one-time and \$2.7 million ongoing. Includes language to require a plan for transition for all remaining caseload of the MRMIP program before the program can be eliminated.
- Uses \$145.4 million in General Fund savings by using MCO tax revenue for the Proposition 56 backfill in lieu of General Fund.
- Reflects \$1 million General Fund from Quality Sanctions, including trailer bill language to implement this change.
- Includes \$235,000 and three positions to implement Abortion Provider Protections: Chapter 261, Statutes of 2023 (SB 487).
- Adds \$539,000 and 6 positions to implement Behavioral Health (SB 43): Chapter 637, Statutes of 2023.

- Includes \$16.9 million General Fund to implement Behavioral Health Transformation: Behavioral Health Services Act: Chapter 790, Statutes of 2023 (SB 326).
- Adds \$76,000 special fund and three positions to implement the Behavioral Health Transformation: Behavioral Health Infrastructure Bond Act: Chapter 789, Statutes of 2023 (AB 531).
- Includes \$141,000 General Fund to implement the Robert F. Kennedy Farm Workers Medical Plan: Chapter 333, Statutes of 2023: (AB 494).
- Adds \$132,000 General Fund to implement the Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act: Chapter 832, Statutes of 2023 (AB 1163).
- Includes \$9 million General Fund ongoing to implement Biomarker Testing: Chapter 401, Statutes of 2023 (SB 496
- Provides \$6.5 million to implement Pharmacogenomic Testing: Chapter 329, Statutes of 2023 (SB 425).
- Adds \$191,000 to implement Mobile Optometric Office: Chapter 487, Statutes of 2023 (SB 502).
- Includes the Behavioral Health Federal Funds Adjustment of \$96,670,000 to reflect an adjustment to the projected federal funds to support mental health and substance use disorder services based on grants awarded in fiscal year 2023-24.
- Provides \$50 million General Fund for County Behavioral Health Departments.
- Adds \$8.3 million special funds to expand the distribution of Naloxone through the Naloxone Distribution Project.
- Adopts Budget Bill Language related to the CHDP program allowable flexible use of funds provided to counties for HCPCFC and CCS Oversight for the 2024-25 fiscal year and to require county reporting on the use of those funds.
- Rejects proposed language to exempt Children and Youth Behavioral Health Initiative Next Generation Parent Video Series from procurement requirements.
- Does not include trailer bill provisions to revisit the provisions of SB 525 of 2024.

### **Early Action Items**

- Shifts \$162.7 million of the Medi-Cal Drug Rebate Special Rebate Fund to the General Fund, with \$135.1 million in 2023-24 and \$27.6 million in 2024-25. Shifts reserve funds.

- Rescinds the 2023 proposal to eliminate the two-week fee for service check write hold, resulting in a one-time General Fund savings of \$532.5 million.
- Delays \$235 million for Behavioral Health Bridge Housing by one year, from 2024-25 until 2025-26.
- Delays \$140.4 million for Behavioral Continuum Infrastructure by one year, from 2024-25 until 2025-26.

### **Department of Public Health**

- Retains fully \$300 million annually for public health investments at the local (\$200 million) and state level (\$100 million). Also rejects a proposed reversion of \$52.5 million in prior year Foundation for the Future of Public Health Savings.
- Eliminates the Proposition 56 Oral Health General Fund backfill, saving \$4.6 million per year.
- Includes \$5 million to continue the Sickle Cell Programs of Excellence.
- Adds \$800,000 and \$2 million ongoing to support the California Cancer Registry.
- Reflects the inclusion of federal funds to continue the operations of the CalCONNECT IT system for the budget year.
- Adopts placeholder trailer bill relating to Syndromic Surveillance.
- Reverts \$7.5 million General Fund provided for the Youth Suicide Reporting and Crisis Reporting Pilot Program but without proposed provisional language to exempt the funding from the Public Contract Code.
- Saves \$4 million by shifting \$4 million for Skilled Nursing Facilities Staffing Audits to special fund.
- Reduces the Climate and Health Surveillance Program by \$3 million ongoing.
- Reduces the Children and Youth Behavioral Health Initiative: Public Education and Change Campaign by \$25.4 million of \$73.8 budgeted, retaining \$48.4 million for this purpose, \$34.7 million in 2024-25 and \$13.7 million in 2025-26..
- Decreases funding provided for Disease Surveillance Readiness, Response, Recovery, and Maintenance of IT Operations by \$6.9 million in 2025-26.

- Reduces state funding for Information Technology, Data Science and Informatics Framework for a 21st Century funding by \$10 million in 2025-26 and ongoing.
- Loans \$70 million from the State Department of Public Health Licensing and Certification Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$18 million from the Childhood Lead Poisoning Prevention Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$17 million from the Infant Botulism Treatment and Prevention Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$17 million from the Health Statistics Special Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$5 million from the Birth Defects Monitoring Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$4.5 million from the Radiation Control Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$3 million from the Occupational Lead Poisoning Prevention Account to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$2.7 million from the Gambling Addiction Program Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$1.6 million from the Domestic Violence Training and Education Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Loans \$1.2 million from the Cannery Inspection Fund to the General Fund from resources not required for currently projected operational or programmatic purposes.
- Adds 18 positions and federal fund expenditure authority of \$3 million in 2024-25 for WIC modernization efforts, also adopts Trailer Bill Language consistent with the Administration's proposal, but with additional safeguards to ensure access to high-quality food options in underserved communities and to strengthen consumer protections.

- Provides \$500,000 special fund and two positions for the Center for Health Care Quality, Quality Improvement Projects to support health care facilities in improving their compliance with state and federal requirements. In addition the proposal would include \$352,000 special fund for one-time to support planning for the Centralized Application Branch Online Application Project.
- Allocates \$5.6 million of settlement funds from the People of the State of California v. JUUL Labs, Inc. Settlement for one-time for activities to help address, prevent, and reduce youth use of e-cigarettes.
- Includes \$3 million and three positions to implement WIC Modernization. Also adopts modified Trailer Bill Language that includes consumer safeguards to ensure access to high-quality food options in underserved communities.
- Provides \$918,000 General Fund to implement the California Neurodegenerative Disease Registry: Chapter 522, Statutes of 2023 (AB 424)
- Includes \$180,000 General Fund and one position to implement the California Cancer Registry: Chapter 867, Statutes of 2023 (SB 344) to develop and monitor new compliance requirements for pathologists reporting cases to the California Cancer Registry.
- Adds \$430,000 General Fund to implement the Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act: Chapter 832, Statutes of 2023 (AB 1163) which implement system changes to collect voluntary self-identification information pertaining to intersexuality in the course of collecting demographic data. Also include Supplemental Reporting Language requiring annual reporting on implementation progress for data collection of data on intersexuality.
- Includes \$1.1 million Licensing and Certification Fund and 11.5 positions to support expansion of application and fee processing activities for health facilities. Includes trailer bill language to authorize implementation of a new fee schedule and impose deadlines and penalties for late submission of applications for licensure or licensure changes.
- Adds \$688,000 General Fund and one position to implement the Reporting of Animal Testing Methods: Chapter 430, Statutes of 2023 (AB 357)
- Includes \$2.24 million to implement Tobacco Sales: Flavored Tobacco Ban: Chapter 351, Statutes of 2023 (AB 935).

### **Early Action**

- Shifts \$4 million for Skilled Nursing staffing audits from the General Fund to Special Fund.
- Cuts \$3.1 million for the Climate and Health Surveillance Program.

- Shifts \$9.7 million for the Community-Based Clinical Education Rotations for Dental Students from the General Fund.
- Reflects the reduction of \$1.8 million of COVID-19 Website Transition and Informational Technology Resources.
- Loans \$500 million from the AIDS Drug Assistance Program Rebate Fund to the General Fund, with agreement to take actions that will increase the use of the funding moving forward to minimize future borrowing from this fund. The May Revision contains \$23 million for program enhancements using these funds.

### **Department of Health Care Access and Information**

- Reduces budgeting health care training by \$729 million over five years, retaining \$125 million to allow programs that are underway to continue without disruption. This action will retain funding for the Song-Brown Primary Care Residency program, the Song-Brown Nursing program, the Health Professionals Career Opportunity Program, and the California Medicine Scholars Program.
- Includes \$2.4 million and 13 positions to SB 779 of 2023 related to Primary Care Clinic Modernization.
- Includes provisional language to require wellness coaches use evidence-based best practices and sets goals for implementation of the program with reporting.
- Provides \$718,000 special fund and 4 positions to implement AB 1392 of 2023 related to Hospital Supplier Diversity Reporting.
- Adopts a \$5.2 million technical adjustment to the 2023-24 budget to reflect the carryover amount for the CalRx Biosimilar Insulin program.
- Reflects the transfer of the Public Health Nurse Certification and Recertification Fee for Public Health Nurses to the budget of the Department of Consumer Affairs with a \$3.3 million technical reduction.
- Includes \$631,000 Special Fund one-time to support 3 positions for the planning, implementation, and oversight of the Behavioral Health Services Act Workforce Initiative.
- Reverts \$14 million (\$7 million General Fund) that was in the 2022 Budget for a Psychiatric Loan Repayment Program.
- Includes three positions to support administration of the CalRx program. This proposal requests technical changes to enable HCAI to true up its position authority with the increasing workload of administering the CalRx program including the recently authorized



- Authorizes 16 positions within the Office of Health Workforce Development in Fiscal Year (FY) 2024 25 and ongoing to address the issues identified in this proposal and support multiple new and expanded health workforce development programs.

### **Early Action**

- Reverts the remaining \$14.9 million for Clinic Workforce Stabilization Payments at HCAI. These funds are the remaining balance of a \$70 million 2022-23 budget item for clinic workforce, after \$55.1 million was spent by the Department of Health Care Services for this purpose.
- Loans the General Fund \$66 million of special fund balances, including \$50 million from the Hospital Building Fund, \$3 million from the Registered Nurse Education Fund, \$1 million from the Vocational Nurse Education Fund, \$1 million from the Mental Health Practitioner Fund, and \$11 million from the California Health and Data Planning Fund.

### **Department of Managed Health Care**

- Loans \$22.9 million from the Managed Care Fund to the General Fund, as adopted in Early Action.
- Adopts placeholder trailer bill to update the Incompetent to Stand Trial provisions to reflect the work of a stakeholder progress headed by the Department. The Assembly expects this bill to be considered in August to allow more time for additional public safety stakeholders to provide input.
- Includes \$1.4 million special fund to implement Dental Benefits and Rate Review: Chapter 557, Statutes of 2023 (AB 1048).
- Adds \$437,000 special funds and 2 positions to implement Health Care Coverage-Douglas: Chapter 349, Statutes of 2023 (AB 904).
- Adds \$799,000 special fund and 3 positions to implement Biomarker Testing: Chapter 401, Statutes of 2023 (SB 496).
- Adds \$1.9 million special fund and 9 positions for Information Technology Security and Workload to resolve audit findings and comply with the Cal-Secure 5-year plan, a roadmap to enhance cybersecurity maturity and effectively identify and manage risk to the state.
- Add \$1.5 million special fund and 7 positions for Executive and Management Support Workload.

- Includes \$6.9 million special fund and 35 positions to address an increase in Help Center program workload.
- Reappropriates \$2.7 million provided in the 2023 budget act to implement to Health Care Service Plans Discipline: Civil Penalties (SB 858).

### **Emergency Medical Services Authority**

- Adopts 3 positions to support the Electronic Physician Orders for Life Sustaining Treatment (ePOLST) IT system and reappropriates \$6.6 million General Fund from the 2021 budget act for this purpose.
- Reappropriates \$3 million General Fund from the 2021 budget act for the California Emergency Medical Services Information System (CEMIS) replacement project.
- Includes a \$5.5 million ongoing technical reduction adjustment to the Increased Emergency Preparedness and Response Capability Resources budget item approved in the 2021 budget.
- Provides \$4.2 million General Fund in 2024-25 and \$4.4 million General Fund in 2025-26 to provide for the continued maintenance and operations of California Emergency Medical Services Information System (CEMSIS), which the department has assumed operations responsibility to continue to operate and maintain.
- Includes \$3 million for continued storage and security of emergency medical response equipment and supplies.
- Provides \$2 million to maintain storage of biomedical equipment and medical supplies.
- Provides \$686,000 and three positions to implement the Community Paramedicine or Triage to Alternate Destination Act (AB 767 of 2023), Chapter 270, Statutes of 2023.
- Includes \$200,000 to implement AB 1376 of 2023, Chapter 474, Statutes of 2023, which limits liability for emergency services.
- Adds \$521,000 and 2 positions to implement AB 716 of 2023, which will develop and publish a report annually on the allowable maximum rates for ground ambulance transportation in each county.
- Includes \$1.2 million and 4 positions to implement AB 40 of 2023, Chapter 93, Statutes of 2023, which streamlines patient transfers between EMS agencies and hospitals.

**Department of State Hospitals**

- Approves \$50.4 million (Public Buildings Construction Fund) for the construction phase of the DSH-Metropolitan Central Utility Plant (CUP) Replacement Project. The project includes the replacement of the existing CUP located at DSH-Metropolitan that presently supplies steam for hot water and central heating, as well as chilled water for air conditioning, to 32 patient housing and administrative buildings. Additionally, adopts a May Revision change of \$1.9 million one-time and provisional language be added for the working drawings phase of this project.
- Authorizes 8 positions to support data leadership structure, data operation, and data compliance.
- Authorizes 7 positions to address the sustained increase in workers' compensation workload.
- Authorizes 10 positions in 2024-25 and ongoing to support increased workload for the department and its contracted Forensic Conditional Release Program (CONREP) Sexually Violent Predator (SVP) provider resulting from the passage of SB 1034 (Chapter 880, Statutes of 2022).
- Reduces the 2023-24 budget amount for the treatment team by \$3.1 million General Fund to reflect delays in hiring. This decrease grows to \$8.1 million in the budget year.
- Reflects a \$1.6 million savings based on updated patient census projections.
- Reflects activation delays in Jail-Based Competency Treatment and Community Based Restoration/Diversion programs, as well as county stakeholder contracts not executed, resulting in a one-time savings of \$73.3 million in 2023-24 and \$49.9 million in 2024-25.
- Contains a small adjust of \$9,000 in 2023-24 and \$11,000 in 2024-25 and ongoing to reflect revised employee compensation costs.
- Includes \$281,000 in 2023-24 one-time savings to Enhanced Treatment Program Staffing due to construction delays.
- Reflects \$3.6 million General Fund in 2023-24 savings to Direct Care Nursing to reflect delays in hiring.
- Decreases DSH-Metropolitan Increased Secure Bed Capacity Item 4440-011-0001 by \$3.9 million in 2023-24 one-time to reflect delays in completing the Skilled Nursing Facility building roof.

- Reflects a \$2.6 million General Fund 2023-24 one-time to the CONREP Non-SVP program to reflect ongoing challenges with hiring clinical staff for the programs.
- Reverts \$7.2 million provided in the 2023 budget due to updated project timelines for Electronic Health Records implementation.
- Reverts \$6.5 million in the 2021 Budget Act due updated implementation timelines for Mission Based Review Treatment Team staffing.
- Reverts \$2.2 million provide in the 2023 budget act for Health Care Provider Network (HCPN).
- Reduces the 2023 budget by \$45 million in 2023-24 one-time to reflect updated implementation timelines for various IST Solutions initiatives. In addition \$129.5 million be shifted in 2025-26 to 2026-27.
- Adds \$1.1 million for the construction phase of the Coalinga: New Activity Courtyard.

#### **California Health Benefit Exchange (Covered California)**

- Includes provisional language to direct the Department of Finance to seek additional spending authority for the Striking Worker fund and One Dollar Premium Subsidy through a JLBC process if expenditures rates are projected to exceed the appropriation during the fiscal year.
- Loans \$62 million from the Health Care Affordability Reserve Fund to the General Fund.
- Delays Repayment of Health Care Affordability Reserve Fund Loan of \$600 million to be repaid in increments of \$200 million over the fiscal years 2025-26, 2026-27, and 2027-28.
- Transfers \$109 million be transferred from the Health Care Affordability reserve fund starting in 2025-26 but does not make further ongoing transfers proposed by the May Revision.
- Does not include technical provisional language that specifies that Covered California's 2025 coverage year program will provide cost-sharing reductions to individuals at or above 100 percent of the federal poverty level.

#### **California Healthcare Facilities Financing Authority**

- Retains \$48.8 million for Specialty Dental Clinic Grants provided for in the 2023-24 budget, rejecting a proposed delay and reversion of these grant funds.

- Includes Trailer Bill Language to allow the authority to utilize administrative funds for the distress hospital loan program for the entire expected duration of the program.

**Mental Health Services Oversight and Accountability Commission**

- Provides \$494,000 annually in fiscal years 2024-25 through 2026-27, and \$394,000 in fiscal year 2027-28 and ongoing, to support 3 permanent positions and workload related to the implementation of the behavioral health transformation efforts pursuant to Chapter 790, Statutes of 2023 (SB 326)/Proposition 1 of 2024.
- Reappropriations \$1 million of expenditure authority from the Mental Health Services Fund, previously authorized in the 2021 Budget Act, until June 30, 2026, to support the Mental Health Wellness Program.

# **Subcommittee No. 2 on Human Services**

**Assemblymember Corey Jackson, Chair**

## HUMAN SERVICES

### Department of Social Services

#### CalWORKs

- Rejects the Governor's January proposal for an on-going annual reduction of \$40.8 million General Fund from the CalWORKs Single Allocation. Also rejects the May Revision proposal to additionally cut \$272 million one-time from the Single Allocation in 2024-25. The counties receive a Single Allocation that combines the funding for Eligibility Administration, Employment Services, and Cal-Learn into one allocation that may be used interchangeably. All other funding for various CalWORKs program services is separately allocated.
- Approves the May Revision adjustment to add back \$41.6 as an adjustment to the Early Action reversion of an unspent \$336.6 million from the CalWORKs Single Allocation from the 2022-23 fiscal year.
- Rejects the Governor's January proposal to eliminate the CalWORKs Family Stabilization program, with a proposed cut of \$71.2 million General Fund beginning in 2024-25 and ongoing.
- Approves the Governor's January proposal to eliminate the CalWORKs Employment Services Intensive Case Management, with a reduction of \$47 million General Fund beginning in 2024-25 and growing slightly ongoing, which will result in counties not meeting the expected 10 hours per case standard that was funded in a prior budget. Additionally, adopt placeholder trailer bill to effectuate this reduction, but without statutory changes that will remove the requirement for counties to fund what is currently being implemented for CalWORKs case management, which is 8.75 hours.
- Rejects the Governor's January proposal to eliminate the CalWORKs Expanded Subsidized Employment program with a reduction of \$134.1 million General Fund in 2024-25 and ongoing. Instead, modifies to reduce funding on a short-term basis, by \$30 million in 2023-24 and \$37 million in 2024-25, to hold funding to approximate 2022-23 spending level. This limited-term reduction is intended to more closely align funds to actual utilization in the program and avoid adverse impacts for working participants. Additionally, adopt placeholder trailer bill to require reporting on subsidized employers and employment outcomes in participating counties.
- Approves the May Revision adjusted 0.3 percent increase to CalWORKs Maximum Aid Payment (MAP) levels, with an estimated cost of \$12.5 million ongoing, to begin October 1,

2024. These increased costs are funded entirely by the Child Poverty and Family Supplemental Support Subaccount of the 1991 Local Revenue Fund. Adopts placeholder trailer bill language to effectuate this change.

- Rejects the Governor's May Revision on-going reduction of \$126 million General Fund, starting in 2024-25, for the CalWORKs Mental Health and Substance Abuse Services Program (MH/SA), and instead modifies the action to reduce funding by \$30 million in 2023-24, \$37 million in 2024-25, and \$26 million in 2025-26. This limited-term reduction is intended to more closely align funds to actual utilization in the program and avoid adverse impacts for parents and families served.
- Rejects the Governor's May Revision on-going reduction of \$47.1 million General Fund, starting in 2024-25 for the CalWORKs Home Visiting Program (HVP), and instead modifies the action to reduce funding for the CalWORKs HVP by \$30 million in 2023-24, and temporarily reduce by \$25 million in 2024-24 and 2025-26. This limited-term reduction is intended to more closely align funds to actual utilization in the program and avoid adverse impacts for families and children served.
- Approves the May Revise Requests for Budget Bill Language/provisional authority for spending of up to \$2.4 million General Fund for CalWORKs Participation in the Federal Fiscal Responsibility Act (FRA) Alternative Accountability Pilot Opportunity, contingent on the adoption of legislative placeholder trailer bill to implement family-centered changes as part of the pilot program, including limiting family sanctions, creating a family-centered program structure, and repealing the county Work Participation Rate (WPR) penalty.
- Approves the Governor's May Revise Proposal: Elimination of Comparable Disqualification (Issue 224).
- Approves legislative proposal and placeholder trailer bill language to make technical adjustments to ensure proper display of CalWORKs grants compared to the federal poverty level (FPL).

### **Immigration and Humanitarian Services**

- Rejects the Governor's January proposed elimination of the Temporary Protected Status (TPS) Services program with a cut of \$10 million General Fund in 2024-25 and ongoing.
- Rejects the Governor's January proposed reduction in funding of \$5.2 million General Fund in 2024-25 and ongoing for the California State University Legal Services program.
- Approves the Governor's January Budget Change Proposal for the Improving Operations to Support Immigrant and Refugee Children. The proposal is for permanent resources,



including nine positions, to address new and increased workload of initiatives that support refugee and immigrant children, youth, and families. The cost for this is \$1.627 million (all federal funds) in 2024-25 and \$1,588 million (all federal funds) in 2025-26 and ongoing.

- Approves the Governor's January Budget Change Proposal for the Refugee Resettlement Increased Staffing. The proposal is for thirteen (13.0) permanent positions to address new and increased workload of federally funded initiatives that support refugee families. The cost for this is \$2,379 million (all federal funds) in 2024-25 and \$2,315 million (all federal funds) in 2025-26 and ongoing.
- Rejects the Governor's May Revise proposal for a \$29 million General Fund one-time reduction to the Rapid Response dollars. Additionally, adopts budget bill language to re-appropriate Rapid Response program funding from 2023-24 into 2024-25.
- Early Action included reappropriation language for 2021 and 2022 funding for Rapid Response services at the border, which was intended to allow for the full utilization of these previously appropriated funds given administrative complications and continuing needs.

### **Foster Care and Child Welfare**

- Rejects the Governor's January proposed elimination of \$30 million General Fund in 2024-25 and on-going for the Family Urgent Response System (FURS).
- Approves the Governor's January proposal to eliminate the Los Angeles County Child Welfare Services Public Health Nursing Program with a reduction of \$8.3 million General Fund in 2024-25 and on-going. Additionally reverts \$7.3 million of unspent funds from the current fiscal year to the General Fund.
- Approves the Governor's January proposal to eliminate \$195,000 in 2024-25 and \$25.5 million (\$18.8 million General Fund) in 2025-26 and on-going for Housing Supplements for Foster Youth in Supervised Independent Living Placements (SILPs). SILP rates are intended to be addressed in the pending Foster Care permanent rate structure.
- Approves \$12 million General Fund from the January Governor's proposal, and then augmented at the May Revision by an additional \$2.5 million, in resources for automation of the pending Foster Care Permanent Rate Structure, contingent on the receipt of detailed information on how the costs were calculated and for what purposes they will be utilized. Adopts placeholder trailer bill language, with changes to add milestones toward implementation, regular reporting to the Legislature, and changes to reflect stakeholder feedback. This action includes rejection of the General Fund trigger and the associated

savings (\$425 million in 2026-27 and \$647 million in 2027-28) as proposed in the May Revision. The new rate system for foster care placements is intended to focus on the child's individual level of needs and strengths, rather than the placement type, and is anticipated to begin July 1, 2026.

- Approves the Governor's January proposal for an expected \$173.4 million (\$88.1 million General Fund) in 2024-25 to support continued project development and implementation costs, and an additional \$52 million (\$26 million General Fund) in one-time provisional authority, for the Child Welfare Services-California Automated Response and Engagement System (CWS-CARES) Project.
- Approves the Governor's January Budget Change Proposal for the Case Review Allocation Adjustment. The proposal is for an increase in reimbursement authority of \$1,154,000 in 2024-25 and \$1,128,000 in 2025-26 and ongoing to address the workload associated with federally mandated activities for the Child and Family Services Reviews.
- Approves Governor's January Trailer Bill Language: Family First Prevention Services Program (FFPSA) as placeholder.
- Rejects the Governor's May Revise proposal for an on-going reduction of \$50 million General Fund, starting in 2024-25, for the Foster Care Caregiver Approvals Program.
- Rejects the Governor's May Revise proposal for an on-going reduction of \$34.8 million General Fund, starting in 2024-25, for the Emergency Child Care Bridge program. Instead, adopts budget bill language to early revert \$34.8 million in unspent 2022-23 Emergency Child Care Bridge funds and reappropriate into 2023-24. Adopts Budget Bill language to reappropriate \$30 million in unspent 2023-24 Emergency Child Care Bridge funds into 2024-25 to offset General Fund costs on a one-time basis. This generates alternative savings of \$34.8 million one-time in 2023-24 and \$30 million one-time in 2024-25. Total General Fund levels for Emergency Child Care Bridge remain at \$83.4 million ongoing.
- Approves Governor's May Revise correction regarding the January Cut Proposal for Los Angeles County Child Welfare Stabilization Reduction, as these savings are not feasible.
- Approves the Governor's May Revision Budget Bill Language Proposal: Family First Prevention Services Reappropriation.
- Approves the Governor's May Revise Budget Change Proposal: Child Welfare Training Program: Funding Shift from Local Assistance to State Operations.

- Approves the Governor's May Revision Budget Bill Language Proposal: Behavioral Health Community-Based Organized Networks of Equitable Care and Treatment (BH-CONNECT) Reappropriation.
- Approves the Governor's May Revise Proposal: Federal Reporting and Communication Requirements with National Center for Missing and Exploited Children (Issue 225).
- Approves the Governor's May Revise Trailer Bill Proposal: Federal Reporting and Communication Requirements with National Center for Missing and Exploited Children as placeholder.
- Approves the Governor's May Revise Trailer Bill Proposal: Specialized Care Increment Eligibility as placeholder.
- Approves the Governor's May Revise Trailer Bill Proposal: Resource Family Approval Program Alignment with Emergency Caregiving Funding Program as placeholder.
- Approves the Governor's May Revise Trailer Bill Proposal: State and Federal Kinship Guardianship Assistance Payment Program Alignment as placeholder and with possible changes to address Non-Related Legal Guardians in the WIC code for parity purposes, and with automation contingency language.
- Approves the Governor's May Revise Trailer Bill Proposal: Excellence in Family Finding, Engagement, and Support Program as placeholder.
- Rejects the Governor's May Revise Trailer Bill Proposal: Family Reunification Delay Implementation.

### **Housing and Homelessness**

- Modifies the Governor's revised proposal for the Bringing Families Home Program, accepting the \$80 million delay to 2025-26 and then reducing the amount by \$40 million in 2025-26 and moving this \$40 million into 2026-27, broadening the timeline for the delay. Additionally, adopts corresponding trailer bill and modifies to extend local match exemption through 2027 for any remaining amount of funds for this purpose.
- Rejects the Governor's proposal for first a delay, and then a May Revision cut, of \$65 million General Fund for the Home Safe Program.
- Approves the Governor's May Revision proposal for a cut of \$50 million General Fund for the Housing and Disability Advocacy Program.

- Approves legislative proposal and placeholder trailer bill language to eliminate the county match requirement in baseline Housing and Homelessness programs.
- Approves the Governor's May Revise Trailer Bill Proposal: Data Sharing to Quantify the Impacts of the Safety Net on the Whole Californian as placeholder and with modifications to include how the information can relay point in time and trend data on the state of housing instability for families in the CalWORKs program.
- Approves the Governor's May Revise Trailer Bill Proposal: Facility Inclusion for Community Care Expansion Preservation Program as placeholder.

### **Food and Hunger**

- Approves the Governor's January Budget Change Proposal for the CalFresh Employment & Training (E&T) - CalFresh Confirm. The proposal is for (1.0) Staff Services Manager I (SSM I) Specialist in the CalFresh & Nutrition Branch to effectively manage current workload and increasing responsibilities, support federal compliance, and maintain implementation of the CalFresh Confirm tool. This position will be funded by Federal E&T funds at 50% and from revenue generated from agreements at 50%. No state General Funds will be utilized.
- Approves the Governor's January Budget Change Proposal for the CalFresh Healthy Living (CFHL) Section Alignment. The proposal is for 1.0 Staff Services Manager II (SSM II), 1.0 Staff Services Manager I (SSM I), and 1.0 Associate Governmental Program Assistant (AGPA) is needed to balance the CalFresh Healthy Living (CFHL) Section's management structure and provide much needed support to the CFHL program. The cost for these positions is \$562,000 in 2024-25 and \$546,000 in 2025-26 and ongoing and these resources will be utilized to effectively split the CFHL Section into two sections, and add a fifth unit in order to increase staffing support and capacity.
- Approves the Governor's January Budget Change Proposal for the CalFresh Outreach Unit Expansion. The proposal is for permanent resources for one (1.0) Associate Governmental Program Analyst (AGPA) position to allow for even distribution of workload and timely completion of tasks. The cost for this is \$173,000 in 2024-25 and \$169,000 in 2025-26 and ongoing and will allow the CalFresh Outreach Unit to operate more efficiently at higher capacity to meet the needs of populations who are food insecure and need access to food.
- Approves the Governor's May Revision proposal to delay for two years the California Food Assistance Program (CFAP) expansion, with automation to begin in 2026-27 with benefits beginning in 2027-28, with corresponding movement of General Fund across fiscal years. Additionally, reappropriates any unspent funds associated with the planning, automation, and

outreach activities from 2023-24 to the 2024-25 fiscal year to allow for continued work toward the new, delayed implementation date. Additionally, adopts Budget Bill Language requesting reporting on the use of funds by January 1, 2025.

- Rejects the Governor's May Revise proposal for a reduction of \$15 million General Fund that was provided on a one-time basis for 2024-25 for the CalFresh Minimum Nutrition Benefit Pilot.
- Rejects the Governor's May Revision on-going reduction of \$25 million General Fund, starting in 2025-26, for the Work Incentive Nutrition Supplement (WINS) Program.
- Approves Governor's January Trailer Bill Language: California Food Assistance Program Overissuance Collection Retention Rates as placeholder.
- Approves legislative proposal and placeholder trailer bill language to permanently authorize the state Emergency Food Bank Reserve. This has no General Fund impact.
- Approves the Legislative Trailer Bill: Extend CalFresh Safe Drinking Water Pilot as placeholder to extend the duration of the CalFresh Safe Drinking Water pilot program to allow remainder of \$3 million from the 2023 Budget Act to be spent. This has no General Fund impact.
- Approves the Governor's May Revision Budget Bill Language Proposal: Able-Bodied Adult Without Dependents Rule.
- Approves the Governor's May Revise Budget Change Proposal: Summer Electronic Benefits Transfer (S-EBT) Program Support.
- Approves the Governor's May Revise Trailer Bill Proposal: Supplemental Nutrition Assistance Program (SNAP) Reimbursement as placeholder and with additional changes pursuant to stakeholder feedback related to timeliness of benefit replacement and finalization of regulations. Additionally, adopt Supplemental Report Language (SRL) requiring CDSS to provide updates on the schedule for EBT card replacement and how implementation is minimizing risk for consumers in the pilot stage and in full roll out. The SRL would also require reporting regarding the interaction of state and federal funds.
- Approves the Governor's May Revise Trailer Bill Proposal: Tribal Nutrition Assistance Program as placeholder.
- Approves the Governor's May Revise Trailer Bill Proposal: California Food Assistance Program (CFAP) Elimination of Comparable Disqualification as placeholder.

- Approves the Governor's May Revise Trailer Bill Proposal: California Food Assistance Program (CFAP) Overissuance Retention Rates as placeholder.

### **Supplemental Security Income/State Supplementary Payment (SSI/SSP)**

- Approves legislative proposal and placeholder trailer bill to require CDSS to include a display in the January and May Local Assistance binders that show the current SSI/SSP grant levels for individuals and couples against fair market rent in all 58 counties.

### **In-Home Supportive Services (IHSS)**

- Rejects the Governor's May Revise proposal for an on-going reduction of \$94.7 million General Fund, starting in 2024-25, to eliminate the In-Home Supportive Services (IHSS) benefit for Undocumented Individuals. This benefit corresponds to the Medi-Cal expansion to undocumented Californians, and IHSS provides domestic and personal care services for sick, elderly, and disabled people to allow them to remain in their home and avoid nursing home entry.
- Rejects the Governor's May Revise proposed elimination of the IHSS Backup provider system, however, reduces \$3 million in 2024-25 to account for lower utilization. The elimination proposal called for an on-going reduction of \$11.6 million General Fund, starting in 2024-25.
- Approves legislative proposal to adopt Supplemental Report Language requiring CDSS to provide information on a monthly basis starting August 1, 2024 until the full utilization and expiration of Home and Community Based Services (HCBS) funds for the IHSS Career Pathways Program is complete, with outcome information on the number of providers completing classes and claims for incentive payments.

### **Adult Protective Services**

- Rejects the Governor's May Revise proposal for an on-going reduction of \$40 million General Fund, starting in 2024-25, for the Adult Protective Services (APS) Expansion.
- Rejects the Governor's May Revise proposal for an on-going reduction of \$4.8 million General Fund, starting in 2024-25, for the Adult Protective Services Training program.
- Approves the Governor's January Budget Change Proposal for the Adult Protective Services (APS) Program Planning and Development of Data Warehouse, with budget bill language to require reporting to the Legislature on key project milestones and metrics regarding APS, including information on disparities and trend data. The proposal is for request limited-term

federal fund authority of \$369,000 in 2024-25 and \$357,000 in 2025-26, which includes limited-term resources equivalent to 2 positions, to begin planning and development efforts toward a data warehouse for the Adult Protective Services Program.

### **Automation, Technology, and Security**

- Approves the Governor's January Budget Change Proposal for the Child Welfare Services - California Automated Response and Engagement System. The proposal is for a total of \$173,410,000 (\$88,113,000 General Fund, \$84,309,000 federal funds, and \$988,000 reimbursements) for fiscal year 2024-25, along with 5 new, permanent Office of Technology and Solutions Integration positions. Additionally, provisional language is requested to increase project expenditure authority up to an additional \$52,070,000 (\$26,035,000 General Fund). The requested funding and positions provide the resources to continue the design, development, and implementation activities for the Child Welfare Services – California Automated Response and Engagement System (CWS-CARES) and CARES-Live.
- Approves the Governor's January Budget Change Proposal for the Security Architecture Compliance Assessment. The proposal is for \$2 million (General Fund, one-time) in 2024-25 to meet the new IT security Zero Trust Architecture (ZTA) and Multifactor Authentication (MFA) standards described in Statewide Administrative Manual (SAM)/ Statewide Information Management Manual (SIMM) 5360 and Cybersecurity Infrastructure Security Agency (CISA). ZTA Maturity Model requirements as defined in Technology Letter (TL) 23-01 issued by the California Department of Technology (CDT) on May 27, 2023. CDSS will engage with professional services to assess ISD's current technology environment and workforce. The outcomes of this effort will allow CDSS to understand the level of effort required to comply with the new standards. The additional resources will be used to begin CDSS's compliance activities and define the ongoing resources, technology, and time needed to meet these emerging requirements.
- Requests final report on CalSAWS, with an extension for the due date from July 1, 2024 (as included in the SRL from 2023) to January 1, 2025, and request that it include thorough responses to the questions and issues raised by the CalSAWS Advocates Group in March 2024.
- Approves the Governor's May Revise Budget Change Proposal: Guardian Background Check System Maintenance and Operations.
- Approves the Governor's May Revise Budget Change Proposal: Maintenance of County Expense Claim Reporting Information System.

**Additional for Department of Social Services**

- Approves Governor's January Trailer Bill Language: Guaranteed Income Pilot Program Extension as placeholder.
- Approves the Governor's May Revise Budget Change Proposal: Chaptered Legislation Budget Change Proposals.
- Approves the Governor's May Revision Caseload Adjustments for Department of Social Services (Issues 219, 220, 221, 222, 223, 252, 291, 301, 305, 309, and 310).

**Department of Child Support Services**

- Rejects proposed trailer bill language regarding Child Support Payment Trust Fund Overpayment.
- Approves Budget Bill Language in the Governor's January proposal regarding utilizing up to \$500,000 in unspent funds to offset recoverable overpayments.
- Adopts Supplemental Report Language on the infrastructure and other implementation components necessary to effectuate the full pass-through of child support.
- Approves the Governor's May Revise Proposal regarding Local Assistance May Revision (Issue 020) and corresponding change to the Child Support Collections Recovery Fund.
- Approves the Governor's trailer bill proposal regarding California Child Support Automation System Annual Reporting Requirement Repeal as placeholder.
- Approves the Governor's trailer bill proposal regarding Improved Performance Incentives Repeal as placeholder.
- Adopts legislative budget solution to reduce \$10 million in 2024-25 and ongoing from local child support agency funding that has historically been unspent.

**Department of Developmental Services**

- Rejects the Governor's proposal to delay the final step in DDS service provider rate increases to July 1, 2025, instead maintaining the July 1, 2024 date pursuant to current law.



- Adopts legislative trailer bill as placeholder to codify the Master Plan for Developmental Services, which is being facilitated under the California Health and Human Services Agency.
- Modifies the Governor's January Budget Trailer Bill Proposal: Individual Program Plan (IPP) and Individual Family Services Plan (IFSP) Meetings to permanently extend the option for an IPP meeting to be held remotely subject to additional meeting parameters.
- Adopts the Governor's January Budget Trailer Bill Proposal: Family Cost Participation Program and Annual Family Program Fee as placeholder.
- Adopts the Governor's January Budget Trailer Bill Proposal: Probability Sampling and Statistical Extrapolation as placeholder.
- Adopts placeholder legislative trailer bill to prohibit regional centers from enacting overly restrictive social recreation purchase of services policies and require DDS to report to the Legislature on complaints and trends relating to social recreation.
- Approves the Governor's May Revise proposed reduction of \$20 million General Fund from the 2022-23 fiscal year for the Direct Support Professional (DSP) Internship Program, with placeholder trailer bill language. Additionally, approve Legislative solution to early revert \$10 million in anticipated savings upon expiration of the DSP stipend program in 2023-24 and reduce Regional Center Tuition Reimbursement Program by \$18.6 million in 2024-25. This would allow for current and pending participants to remain in the program and receive tuition reimbursement but close the program to new applicants.
- Rejects the Governor's May Revise proposed reduction of \$3.0 million General Fund in 2024-25 and ongoing for health and safety waiver application assistance and the associated trailer bill language.
- Approves the Governor's May Revise proposed reduction of \$1.1 million General Fund in 2024-25 and ongoing for emergency preparedness resources.
- Approves the Governor's May Revise proposed \$0.8 million General Fund in 2024-25 and ongoing for tribal engagement and outreach for early start services. This was an augmentation from the Governor's January budget proposal that has not yet implemented.
- Approves the Governor's May Revise Proposal: Coordinated Family Support Services (Issue 120), which requested that Item 4300-101-0001 be decreased by \$6.6 million and reimbursements be decreased by \$4.4 million one-time as a workload adjustment.

- Approves the Governor's May Revise Budget Change Proposal: Reimbursement System Project and Maintenance and Operation Costs (Issue 092), with request for related Budget Bill Language.
- Approves \$1 million General Fund and additionally authorize up to \$5 million in provisional authority for the Governor's May Revise Budget Change Proposal: Uniform Fiscal System Modernization and the Consumer Electronic Records Management System Project Planning (Issue 093), if federal funding for this project does not become available in 2024-25. This action generates \$5 million in General Fund savings net of the Governor's May Revision.
- Approves the Governor's May Revise Proposal: Reimbursement System Project – Reappropriation (Issue 100), which requested that Item 4300-490 be added to reappropriate \$5 million from Item 4300-001-0001, Budget Act of 2021, through June 30, 2025.
- Approves the Governor's May Revise Proposal: Allocation for Employee Compensation (Issue 097).
- Approves the Governor's May Revise Proposal: Allocation for Employee Benefits (Issue 098).
- Approves the May Revision Proposal regarding State Operated Facilities – Complex Need Residential Program Update (Issue 099). Additionally, adopt legislative proposal to delay construction of Complex Needs Residential Program homes by three years. This generates \$10.5 million savings in 2023-24, \$5 million in 2024-25, and \$11.2 million in 2025-26.
- Approves the Governor's May Revise Proposal: State Operated Facilities – Population and Staffing May Revision (Issue 101).
- Approves the Governor's May Revise Proposal: Regional Centers – Caseload and Utilization May Revision (Issues 103, 119, and 123).
- Approves the Governor's May Revise Proposal: Language Only, which requested that Provision 2 of Item 4300-101-0001 be amended to change General Fund loan authority from \$1,038,350,000 to \$1,044,669,000 to reflect revised estimates regarding federal reimbursements.
- Approves the Governor's May Revise Trailer Bill Proposal on Provisional Eligibility Assessment Requirements as placeholder.

- Adopts legislative proposal to hold Porterville Developmental Center budget to revised 2023-24 level in 2024-25. This generates savings of \$20 million in 2024-25 and \$10 million in 2025-26.
- Early Action delayed funding of \$10 million annually for Preschool Inclusion Grants to 2026-27, which were intended to enable preschool programs to include more children with exceptional needs.

### **Department of Rehabilitation**

- Approves the Governor's January Budget Change Proposal for the Voice Options Program. The proposal is for \$3.6 million ongoing in Deaf and Disabled Telecommunications Program (DDTP) Administrative Committee Fund and 3.75 positions to administer the Voice Options program, a statewide Supplemental Telecommunications Equipment (STE) program and 0.25 positions to oversee the federal Assistive Technology Program with existing resources. In February 2023, the California Public Utilities Commission (CPUC) made the Voice Options Program permanent, and this proposal will provide the Department ongoing funding and staff resources to continue serving individuals with speech disabilities by providing speech generating devices to gain independence and direct access to the telecommunication network.
- Conforms the Governor's January Proposal to Delay Full Implementation of Service Provider Rate Reform from July 1, 2024 to July 1, 2025, Impacts to Department of Rehabilitation Providers to the rejection of the rate reform delay under the Department of Developmental Services.
- Rejects the Governor's May Revise Budget Change Proposal: Office of Employment First (Issue 023), with associated Trailer Bill Language proposal.
- Rejects the Governor's May Revise Trailer Bill Language Proposal for Department Name Change.

### **State Council on Developmental Disabilities**

- Approves the Governor's May Revise Budget Change Proposal: Support Services Assistant.
- Approves the Governor's May Revise Budget Change Proposal: Statewide Self-Determination Advisory Committee.

- Approves the Governor's May Revise Budget Change Proposal: Self-Determination Program Orientations and Trainings.
- Approves the Governor's May Revise Budget Bill Language Proposal: Reappropriation of Go-Kits Reimbursement Authority.

### **Department of Community Services and Development**

- Approves the Governor's January Budget Change Proposal for the Federal Trust Fund Authority Augmentation. The proposal is to augment Community Services and Development's Federal Trust Fund base authority for local assistance programs 4181-Energy (by \$52,000,000) and 4185-Community Services (by \$3,000,000) to align the next three fiscal years with current funding levels of core federal grant programs.
- Approves the Governor's May Revise Budget Change Proposal: Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act: Chapter 832, Statutes of 2023 (AB 1163) (Issue 016).

### **California Department of Aging**

- Approves the Governor's January Budget Change Proposal for the CalFresh Healthy Living Program. The proposal is for an increase of \$2 million in reimbursement authority to support 1.0 permanent position and increased Local Assistance funding of \$1.8 million in 2024-25 and ongoing to provide increased monitoring services, program site capacity, increased client counts, and enhanced curricula for the CalFresh Healthy Living (CFHL) - Supplemental Nutrition Assistance Program Nutrition Education Obesity Prevention Program (SNAP-Ed) activities targeted to low-income adults aged 60 and older.
- Approves the Governor's January Budget Change Proposal for the Health Insurance Counseling and Advocacy Program Administration Funding. The proposal is for a one-time authority increase of \$2.005 million from the Health Insurance Counseling and Advocacy Program (HICAP) Special Fund to continue to support increased state and local administration efforts initiated in 2021-22. This funding is requested for HICAP modernization effort to serve more Medicare beneficiaries, improve service quality and access, and improve cultural competency, and services to diverse and underserved communities. Additionally, adopt Budget Bill Language to loan \$10 million from the HICAP Special Fund to the General Fund. Additionally, adopt Budget Bill Language regarding reporting to the Legislature on HICAP Modernization activities and metrics.
- Approves the Governor's January Budget Change Proposal for the Office of The Long-Term-Care Patient Representative Technical Adjustment. The proposal is for a net-zero General

Fund shift from Local Assistance to State Operations and authority for 8.0 positions in the Office of the Long-Term Care Patient Representative (OLTCPR).

- Rejects the Governor's May Revise proposal for a \$111.6 million General Fund reduction (\$37.2 million each year for three fiscal years, beginning in 2024-25) for the Older Californians Act funding.
- Approves the Governor's May Revise proposal for a \$35.4 million General Fund reduction (\$5.4 million in 2023-24, \$20 million in 2024-25, and \$10 million in 2025-26) for the Older Adult Behavioral Health initiative. Additionally, reduces funding for the media campaign component, which generates \$8 million in additional General Fund savings in 2023-24.
- Approves the Governor's May Revise Budget Change Proposal: CalFresh Healthy Living Program Expansion.
- Approves the Governor's May Revise Budget Change Proposal: Lesbian, Gay, Bisexual, and Transgender Disparities Reduction Act (AB 1163).
- Approves the Governor's May Revise Budget Change Proposal: Multipurpose Senior Services Program (MSSP) Nursing Staffing Increase.
- Approves the Governor's May Revise Proposal to increase reimbursements by \$2,060,000, to realign federal fund reimbursement authority with projected federal grant award amounts.
- Approves the Governor's May Revise Proposal to increase reimbursements by \$33,395,000, to realign federal fund reimbursement authority with projected federal grant award amounts.
- Approves legislative proposal to use \$9.25 million in special funds (\$5 million 0942 State Health Facilities Citation Penalty Account and \$4.25 million 3098 Licensing and Certification Program Fund) in each year for 2024-25, 2025-26, and 2026-27 to support the Long-Term Care Ombudsman Program.
- Early Action removed one-time funding of \$11.9 million in 2023-24 for the Healthier at Home Pilot, due to the inability to resolve implementation issues locally.

### **California Health and Human Services Agency**

- Modifies the Governor's full withdrawal of \$900 million General Fund from the Safety Net Reserve Fund and instead removes \$450 million General Fund from the Safety Net Reserve.

- Adopts legislative trailer bill as placeholder to codify the Master Plan for Developmental Services, which is being facilitated under the California Health and Human Services Agency. This is also included under the Department of Developmental Services issues above.
- Approves the Governor's May Revision proposal to take savings of \$75 million General Fund total, adding \$1 million for state operations to the \$74 million referenced in the Governor's January delay proposal, to eliminate the Health and Human Services Innovator.
- Approves the Governor's January Budget Change Proposal: Child Welfare Services - California Automated Response and Engagement System. Please see description above under Department of Social Services, Foster Care for more detail.
- Approves the Governor's May Revise Budget Change Proposal: Central Registry Replacement and California Emergency Medical Services Information System (CEMSIS) Re-procurement Reappropriation.
- Rejects the Governor's May Revise Budget Change Proposal: Department Reorganization, conforming to actions take in Subcommittee No. 5.
- Approves the Governor's May Revise Budget Change Proposal: ePOLST Registry Project Reappropriation.
- Rejects the Governor's May Revise Budget Change Proposal: Office of Employment First and associated Trailer Bill Language proposal.
- Rejects the Governor's May Revise Budget Change Proposal: OPR Reorganization: California Initiative to Precision Medicine, conforming to actions take in Subcommittee No. 5.
- Requests final report on CalSAWS, with an extension for the due date from July 1, 2024 (as included in the SRL from 2023) to January 1, 2025, and request that it include thorough responses to the questions and issues raised by the CalSAWS Advocates Group in March 2024. This is also included under the Department of Social Services issues above.

# **Subcommittee No. 3 on Education Finance**

**Assemblymember David Alvarez, Chair**

## PK-12 PUBLIC EDUCATION AND EARLY EDUCATION

### Proposition 98 Funding: Early Education, TK-12, and Community Colleges

Proposition 98 sets the constitutional minimum annual funding guarantee for public schools and community colleges. The legislative Proposition 98 package assumes the same guarantee level for 2022-23 as the May Revision, and is calculated with recognition of an additional \$6.2 billion in 2023-24, adjusted due to added tax revenues included in the legislative plan for 2023-24 and 2024-25.

This legislative package provides \$113.99 billion in Budget Year Proposition 98 spending - \$4.8 billion above the May Revision.

Because of the additional tax revenues in the Legislative plan, this Budget is able to adopt the Governor's modest ongoing spending increases for all ongoing commitments to our schools and community colleges, and protect \$1.1 billion in PSSSA reserve funding in the event of an additional Budget shortfall.

The Legislature continues to review the recent alternative Proposition 98 plan just announced. Actions including suspensions, deferrals and other changes to align with a final Proposition 98 package would be considered in a future trailer bill, not today's committee action.

### Major Budget Act PreK-12 Education Actions

- Decreases Proposition 98 funding for the Local Control Funding Formula (LCFF), reflecting declining enrollment, UTK growth, and a May Revision 1.07% percent cost-of-living adjustment (COLA) in 2024-25.
- Fully supports the third-year costs to expand transitional kindergarten (TK), from all children turning five-years-old between September 2 and April 2 to all children turning five-years-old between September 2 and June 2, continues to maintain a 12-to-1 student-to-adult ratio. TK expansion costs will continue to rebench the Proposition 98 Guarantee.
- The budget also proposes technical statutory changes to adjust transitional kindergarten ADA computation for charter schools, and to align TK curriculum to the California Preschool/Transitional Kindergarten Learning Foundations, and other technical changes.
- Makes numerous adjustments to local assistance for May Revision cost estimates and available federal funds, including Home to School Transportation.
- Provides \$938 million General Fund for the purposes of Proposition 28 Arts funding in 2023-24, and \$907 million in the 2024-25 Proposition 98 guarantee, as rebench.



- Eliminates the planned \$550 million facility funding for preschool, TK, and kindergarten classrooms in the 2025-26 Budget Act in anticipation of a November 2024 School Bond initiative that is inclusive of PreK facilities.
- Eliminates the planned \$875 million in General Fund for the School Facilities Program in the 2024-25 Budget Year in anticipation of a November 2024 School Bond initiative.
- Protects the Golden State Teachers Program appropriations, restores program priorities, and creates a means test for eligibility.
- Provides \$89.2 million for a 1.07% COLA to statutorily-required TK-12 programs, including nutrition and preschool, the mandate block grant, and the new LCFF equity multiplier.
- Maintains the California universal meals commitment with an increase of \$298.3 million in Proposition 98 funding, to maintain two free daily meals for all students.
- Restricts allowable uses for the Learning Recovery Emergency Block Grant, and clarifies allowed use for new math frameworks implementation, math and literacy professional development.
- Supports an existing State Park Pass program for fourth graders with a new \$2.1 million ongoing Proposition 98 funding, backfilling one-time General Fund for these purposes.
- Provides \$25 million one-time in anticipation of the 2025-26 Dyslexia screener adoption, and legislative intent to include the screener in the mandate block grant.
- Provides \$20 million one-time for a new Ethnic Studies Block Grant, for local adoption of model-curricula aligned instructional materials.
- Provides authority for a new \$17 million Youth Vaping Alternative Prevention program, funded by the JUUL Settlement.
- Increases the California College Guidance Initiative with \$2 million ongoing Proposition 98.
- Increases the K12 High Speed Network funding by \$3.2 million in ongoing Proposition 98 funding.
- Provides \$2 million ongoing for a state Technical Assistance Center on inclusive college readiness, and \$2.5 one-time federal funds for a state Technical Assistance Center on homeless education.

- Provides \$3.4 million in one-time, and \$380,000 on-going general fund to the State Special Schools for IT infrastructure.
- Provides professional support for educators in addressing student mental health needs with a one-time training requirement deadline.
- Adopts an amended version of the Instructional Continuity Plan proposal in the May Revision, to retain short-term independent study, and delink Instructional Continuity Plans from earning ADA.
- Replaces the basic skills requirement with a bachelor's degree and streamline subject matter completion review, for teacher credentials.
- Provides the CDE with eleven new positions and authority, for prior enacted legislation.

### **Major Early Education and Child Care Proposals**

- Codifies the 2021-22 Budget Year agreement to grow the state-subsidized child care system by 200,000 new children served, and a new 2028 goal to reflect the May Revision "pause" proposal.
- Fully funds all awarded expansion slots from existing child care appropriations and provides a general fund offset for new \$48 million federal fund award not scored in May Revision, in addition to the May Revision offset proposals.
- Creates a reversion accounting for all child care and general fund preschool programs.
- Requires Department of Social Services reporting through January 2026 on the Alternative Methodology implementation progress, and requires a hold harmless policy in the Alternative Methodology to 2024-25 child care rates, inclusive of one-time cost of care plus payments.
- Requires any Regional Market Rate used beginning in 2025-26 to eliminate the cap based on private payment rates.
- Require annual reporting on proposed federal child care quality set-aside expenditure plan to be submitted to the Joint Legislative Budget Committee on or before May 14.
- Sweeps \$143 million General Fund and \$206.3 million Prop 98 in one-time State Preschool savings, as proposed in the May Revision.
- Eliminates the planned growth in the California State Preschool Program inclusive set-aside for the 2025-26 and 2026-27 fiscal years, capping the set-aside at 5%.
- Expands California State Preschool Program eligibility to children ages 24 to 35 months.

## HIGHER EDUCATION

### University of California

- Rescinds an Early Action and instead provides \$228 million ongoing General Fund to support a 5% base increase.
- Approves the May Revision proposal to reduce support by \$125 million one-time General Fund. This funding will be restored in the 2025-26 fiscal year.
- Includes legislative intent language to defer a 5% base increase (\$241 million ongoing General Fund) in the 2025-26 fiscal year. The deferral would be repaid in 2026-27.
- Includes legislative intent language to reduce support for UC base operations by 7.95% (\$252 million ongoing General Fund) in the 2025-26 fiscal year.
- Rescinds an Early Action and instead provides \$31 million to support the third year of the nonresident replacement program at the Berkeley, Los Angeles and San Diego campuses.
- Includes legislative intent language to defer \$31 million to support the fourth year of the nonresident replacement program at the Berkeley, Los Angeles and San Diego campuses in the 2025-26 fiscal year. The deferral would be repaid in 2026-27.
- Approves May Revision proposal to set an enrollment target of 2,927 additional full-time equivalent students in 2024-25 when compared to 2023-24.
- Includes legislative intent language that UC increase enrollment by 1% (2,066) full-time equivalent students (FTES) in 2025-26 when compared to 2024-25.
- Approves the Governor's Budget proposal to provide \$14.5 million ongoing General Fund to support debt service on the UC Merced medical education building.
- Approved in Early Action the Governor's Budget proposal to forego \$300 million one-time General Fund for the UCLA Institute for Immunology and Immunotherapy.
- Approve May Revise proposal to eliminate the use of the Managed Care Organization tax to expand graduate medical education.
- Requires UC campuses to prepare campus climate action plans that establish and reinforce policies to foster freedom of expression and the free exchange of ideas that comply with state

and federal law and campus policies while also protecting student, staff and faculty safety and access to educational opportunities.

- Approves the May Revise proposal to cut \$13.5 million ongoing General Fund to backfill lowered Proposition 56 funds to support graduate medical education.
- Rejects May Revise proposal to reduce funding for UC Labor Centers by \$13 million ongoing General Fund.
- Approves May Revise proposal to pull back remaining UC Equal Opportunity Practices and Professional Development funding.
- Rejects May Revise proposal to pull back \$13.7 M one-time General Fund for UCLA Latino Policy and Politics Institute.
- Rejects May Revise to pull back \$5 M one-time General Fund for UC Davis Equine Performance and Rehabilitation Center.
- Approves May Revise adjustments to Breast Cancer Research, Cigarette and Tobacco Products Research, Oiled Wildlife Care Network, and UC Nutrition Policy Institute amounts due to updated revenue estimates.
- Approves May Revise proposal to create the Electronic Cigarette Settlement Fund and provide \$1.97 million for research and outreach programs.
- Approves May Revise proposal to extend encumbrance date to June 30, 2025 for the California Institute on Law, Neuroscience and Education.
- Approves supplemental reporting language to report on possible UC programming that could be provided at the Chula Vista UniverCity site.
- Approves supplemental reporting language to report on UC costs associated with compact goals.

### **California State University**

- Rescinds an Early Action and instead provides \$240 million ongoing General Fund to support a 5% base increase.
- Approves the May Revision proposal to reduce support by \$75 million one-time General. This funding will be restored in the 2025-26 fiscal year.

- Includes legislative intent language to defer a 5% base increase (\$252 million ongoing General Fund) in the 2025-26 fiscal year. The deferral would be repaid in 2026-27.
- Includes legislative intent language to reduce support for CSU base operations by 7.95% (about \$322 million ongoing General Fund) in the 2025-26 fiscal year.
- Approves May Revise proposal to set an enrollment target of 9,866 additional full-time equivalent students in 2024-25 when compared to 2023-24.
- Includes legislative intent language that CSU increase enrollment by 1% (3,399) full-time equivalent students in 2025-26 when compared to 2024-25.
- Approves budget bill language directing CSU to use \$35 million ongoing General Fund dedicated to Graduation Initiative 2025 to address equity gaps and report on campus activities and graduation rates.
- Requires CSU campuses to prepare campus climate action plans that establish and reinforce policies to foster freedom of expression and the free exchange of ideas that comply with state and federal law and campus policies while also protecting student, staff and faculty safety and access to educational opportunities.
- Approves May Revise proposal to provide \$5.5 million ongoing General Fund to support fee waivers for Medal of Honor recipients, children of Medal of Honor recipients, or dependents of service-injured veterans attending CSU.
- Approves supplemental reporting language to report on possible CSU programming that could be provided at the Chula Vista UniverCity site.
- Approves supplemental reporting language to report on CSU costs associated with compact goals.

### **California Community Colleges**

- Approves the May Revise proposal to support a 1.07 percent cost-of-living adjustment for apportionments.
- Approves the May Revise proposal to support a 1.07% cost-of-living adjustment for select categorical programs.
- Approves the May Revise proposal to support 0.5% enrollment growth.

- Approves the May Revise proposals to make adjustments to Student Financial Aid, Property Tax Revenue, Student Fee Revenue, Education Protection Account Revenue, Apportionments, Equal Employment Opportunity Program, Student Centered Funding Formula.
- Assumes Legislature's Proposition 98 revenue structure, and reduces reserve withdrawals for SCFF needs by \$246 million (\$35.4 million in 2023-24 and \$210.8 in 2024-25).
- Approves the May Revise proposal to reappropriate \$227.9 million one-time Proposition 98 General Fund to support the Student-Centered Funding Formula in 2023-24.
- Rejects without prejudice the May Revise proposal to provide \$12 million one-time Proposition 98 General Fund to support the development of e-transcript California.
- Rejects without prejudice the May Revise proposal to provide \$12 million one-time Proposition 98 General Fund to support a common cloud data platform demonstration project.
- Approves the May Revise proposal to provide \$6 million one-time Proposition 98 General Fund to support systemwide implementation of credit-for-prior-learning pathways.
- Modifies the May Revise proposal to provide \$5 million one-time Proposition 98 General Fund to support a Pathways for Low-Income Workers demonstration project. Creates the program within 2024-25 Strong Workforce program funding.
- Modifies a Governor's Budget proposal to provide \$60 million one-time Proposition 98 General Fund to support expansion of nursing programs. Creates the program within 2024-25 Strong Workforce program funding. Includes placeholder trailer bill language to develop a grant program to support ADN, ADN-to-BSN programs and community college BSN programs if the policy is approved through the legislative process.
- Approves the Governor's Budget proposal to support the construction phase of the Siskiyou Joint Community College District, College of the Siskiyous Remodel Theater and McCloud Hall project.
- Approves Supplemental Reporting Language requiring the Chancellor's Office to report on projected district-by-district funding levels for next three years, summer enrollment data, changes over time related to performance metrics, and projections based on potential changes to the supplemental allocation.

- Approves placeholder trailer bill language removing the local match requirement for the Part Time Faculty Office Hours program.
- Approves placeholder trailer bill language creating a statewide lease revenue bond to support community college student housing grants.
- Approves the Governor’s Budget proposal to use \$50.6 million General Fund of the \$61.5 million provided in 2023-24 to support one-time payments to three districts for housing projects that are not appropriate for bond funds.
- Provides \$20 million one-time Proposition 98 General Fund to increase support for the Financial Aid Administration categorical program to support students in completing the 2024-25 Free Application for Federal Student Aid (FAFSA) form.
- Provides \$3.58 million one-time Proposition 98 General Fund to support a backfill for instructional hours related to the Apprenticeship program.
- Approves the May Revise proposal to reduce state operations support by 7.95% for the chancellor’s office.

**Student Housing Revolving Loan Fund**

- Approves the Governor’s Budget and May Revise proposals to pull back funding from the Student Housing Revolving Fund and forego planned future funding without prejudice to pending legislation that would allow the program to be funded through internal borrowing.

**California Student Aid Commission**

- Approves phase-in of Cal Grant Reform beginning in the 2024-25 application cycle. Approves placeholder trailer bill language that would continue the grade point average requirement for community college students and a phase-in of awards for Students with Dependent Children and legislative intent to use 2024-25 Cal Grant caseload savings to support 2025-26 costs.
- Rejects Governor’s Budget and May Revise proposals to reduce funding for the Middle Class Scholarship program and continues current-year funding level for the program through 2025-26.
- Rejects May Revise proposal to reduce funding for the Golden State Teacher Grant program by \$60.2 million one-time General Fund.

- Approves placeholder trailer bill language to make changes to the Golden State Teacher Grant program to reduce the size of the grant per student, align the program's eligibility with Pell Grant income levels, and restore priority for teacher shortage areas.
- Approves the May Revise proposals to adjust Cal Grant, Law Enforcement Personnel Dependents Scholarship Award, Chafee Foster Youth Program, Individuals with Disabilities Education Act, Middle Class Scholarship, and GI Bill Award Program to reflect updated caseload estimates.
- Approves the Governor's Budget proposal to adopt trailer bill language requiring Cal Grant participating institutions to use 2020 cohort default rates in determining eligibility.
- Approves the Governor's Budget proposal to adopt trailer bill language removing the Commission's authority to create an auxiliary.
- Approves the May Revise proposal to pull back \$485 million one-time General Fund for the Learning Aligned Employment Program.
- Approves the May Revise proposal to extend the Middle Class Scholarship program deadline to July 2 for the 2024-25 academic year.
- Approves the May Revise proposal to reduce state operations support by 7.95%.

### **Scholarshare Investment Board**

- Approves May Revision proposal to eliminate \$5 million ongoing General Fund to support financial literacy outreach through the CalKIDS college savings program.
- Pulls back \$9.5 million in unspent funds for financial literacy outreach through the CalKIDS college savings program.

### **California State Library**

- Approves May Revision proposal to pull back \$4.4 million one-time General Fund from the local library infrastructure program.
- Approves the Governor's Budget proposal to forego future funding for the local library infrastructure program.
- Modifies the May Revision proposal to eliminate funding for the Lunch at the Library program. Provides \$3 million ongoing General Fund for the program, down from \$5.5 million in the current year.



- Approves the May Revision proposal to reduce support for the California Library Services Act by \$1.8 million ongoing General Fund.
- Approves the Governor’s Budget proposal to use federal funding to support a Tribal and Rural Libraries consultant position.
- Rejects the May Revision proposal to pull back \$40 million one-time General Fund from the Dolly Parton Imagination Library program.
- Approves the May Revise proposal to reduce state operations support by 7.95%.

**UC College of the Law, San Francisco**

- Approves Governor’s Budget proposal to provide \$2.1 million ongoing General Fund to support a 3% base increase.
- Approves May Revision proposal to reduce ongoing General Fund support by \$2.2 million in 2025-26 as part of the state operations reductions.

**Department of Social Services**

- Approves supplemental reporting language to report on efforts to create a statewide data-sharing agreement with higher education segments regarding college student CalFresh participation.

# **Subcommittee No. 4 on Climate Crisis, Resources, Energy, and Transportation**

**Assemblymember Steve Bennett, Chair**

## NATURAL RESOURCES

### Natural Resources Agency

- Cuts \$124 million General Fund from Water Resilience Projects.
- Cuts \$50 million from the Museum Grants Program.
- Rejects \$25 million General Fund cut to Ocean Protection - SB 1 Implementation and instead fund shifts to Greenhouse Gas Reduction Fund.
- Rejects \$2 million ongoing cut to the Ocean Protection Council: Marine Mammal Center.
- Restores but delays until 25-26 \$10 million for Redondo Beach Wetlands Restoration (Nature-Based Solutions Package).
- Fund shifts \$27.5 million General Fund to Greenhouse Gas Reduction Fund for Ocean Protection.
- Cuts \$3.2 million General Fund for Natural and Working Lands (AB 1757) Implementation: 23-24 Unencumbered Balance.
- Cuts \$18.3 million General Fund from the California Climate Information System: 2022-2023 Unencumbered Balance.
- Cuts \$35 million General Fund for Ocean Protection.
- Cuts \$600,000 General Fund from Ocean Protection Council Data, Research, and Communications: 2021-22 Unencumbered Balance.
- Cuts \$19.9 million General Fund from the Urban Greening Program (Extreme Heat Package).
- Fund Shifts \$36.8 million General Fund to Greenhouse Gas Reduction Fund for Ocean Protection - SB 1 Implementation.
- Provides \$300,000 in 2024-25 and ongoing from the Lake Tahoe Science and Lake Improvement Account to support water quality monitoring activities at Lake Tahoe.
- Adds 1 permanent Associate Governmental Program Analyst (AGPA) to be funded from savings within the baseline budget for the Tribal Nature-Based Solutions Grant Program.

- Provides \$1.1 million from various special funds onetime in 2024-25 to conduct critical activities associated with its move to the Gregory Bateson Building, currently under major renovation.
- Adds one permanent position and \$185,000 Greenhouse Gas Reduction Fund in 2024-25 and 2025-26, and \$185,000 Salton Sea Lithium Fund in 2026-27 and ongoing.
- Provides \$600,000 to support 3.0 permanent positions and \$3 million to develop an offshore wind environmental monitoring expert panel and begin implementation of a comprehensive offshore wind environmental monitoring and research program.

### **Department of Water Resources**

- Rejects \$50 million General Fund cut to Dam Safety, and restores \$50 million with Greenhouse Gas Reduction Fund.
- Rejects \$102.5 million Greenhouse Gas Reduction Fund Shift in May Revision and instead cuts \$102.5 million General Fund.
- Fund Shifts \$126 million General Fund to Greenhouse Gas Reduction Fund for Urban Flood Risk Reduction/Systemwide Flood Programs-Little Egbert Project.
- Eliminates \$500 million General Fund for Water Storage in 25-26.
- Cuts \$1.4 million for Drought proofing conveyance and SGMA implementation.
- Cuts \$11 million for the Emergency Water Tank Program.
- Cuts \$21.6 million for the Save Our Water public awareness campaign.
- Approves \$1,566,000 in reimbursable authority for three years to address increased inspection needs for the California Department of Technology's Middle Mile Broadband Network (MMBN) construction activities, initiated through the Executive Order N-73-20.
- Provides \$31.3 million General Fund Capital Outlay to implement continuing large-scale multi-benefit flood risk reduction projects in the Central Valley; \$22.5M for projects in the Sacramento Valley and \$8.8M for a project in the San Joaquin Valley.
- Provides \$60 million Greenhouse Gas Reduction Fund for capital costs in 2024-25 for new vegetation enhancement projects and aquatic projects planning not included in the 2023-24 funding. Also adds \$4.3 million Greenhouse Gas Reduction Fund in 2024-25, \$1.3 million

Greenhouse Gas Reduction Fund in 2025-26 and nine permanent positions to be phased in over 2024-25 and 2025-26.

- Authorizes DWR for three full-time positions in the North Central Region Office to replace three temporary positions in North Central Region Office for real-time surface water quality monitoring and analysis.
- Provides \$33 million in General Fund, including \$23 million for Capital Outlay to support state cost-share of critical United States Army Corps of Engineers (USACE) projects and Urban Flood Risk Reduction (UFRR) projects and \$10 million for State Operations to support and manage USACE and UFRR projects during the FY 2024-25.
- Provides \$2,088,000 General Fund and \$1,600,000 Flood Risk Management Fund in 2024-2025 to support current operations and \$3,388,000 General Fund and \$300,000 Flood Risk Management Fund annually thereafter.
- Adopts placeholder trailer bill language to expand the types of actions that moneys in the Flood Risk Management Fund may be expended by the Central Valley Flood Protection Board to any type of service for which it charges fees pursuant to Water Code Section 8535.
- Provides \$50 million in Federal Trust Fund Authority in 2024-25 for funding received from the Department of Interior fund in the Inflation Reduction Act; Public Law 117-169.
- Adds two permanent positions in the Genetic Monitoring Program to be funded by the State Water Project funds.

### **Department of Parks and Recreation**

- Cuts \$75 million from the Outdoor Equity Grants Program (includes \$25 million reduction in Governor's Budget and \$50 million reduction in May Revision).
- Cuts \$12.3 million from the Waterways Connections Initiative/ Urban Waterfront Program.
- Cuts \$5.9 million for Deferred Maintenance.
- Cuts \$6.7 million from Adapting to Sea Level Rise in State Parks (Coastal Resilience Package).
- Cuts \$10 million from the Recreational Trails and Greenways Program.
- Cuts \$25 million from Art in Parks.

- Provides \$6 million General Fund in 2024-25 and \$1.5 million General Fund in 2025-26 and 2026-27 to continue implementation of improvements required by the California State Water Resources Control Board and to maintain the remedial actions to abate contamination resulting from historic mining activities at Malakoff Diggins State Historic Park for the Mine Remediation Project.
- Provides \$152,000 from available California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection (Proposition 40) bond funds (Public Resources Code Section 5096.610(a)) for the working drawing phase of the continuing R.H. Meyer Memorial State Beach : Parking Expansion, Facility and Site Modifications project in Los Angeles County.
- Provides \$5 million in 2024-25 from the Natural Resources and Parks Preservation Fund and \$51 million in reimbursement authority phased over the next two years (\$5 million in 2024-25) to address damages and rebuilding efforts related to 2023 and 2024 winter storms, including Hurricane Hillary.
- Provides a supplemental appropriation of \$3,488,000 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection (Proposition 40) bond funds, set-aside specifically for the California Indian Heritage Center (CIHC) project in Yolo County, under Public Resources Code Section 5096.652(a).
- Provides \$14,928,000 one-time from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) to address deferred maintenance projects and/or other bond eligible projects that are deemed critical to the mission and goals of the Department.
- Provides a supplemental appropriation of \$4,100,000 Natural Resources and Parks Preservation Fund (NRPPF) to replace expired grant funding that is needed to complete the construction phase of the El Capitan State Beach (SB): Entrance Improvements project in Santa Barbara County.
- Provides \$2,816,000 California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) for supplemental appropriations for the Working Drawings (\$336,000) and Construction (\$2,480,000) phases of the Fort Ross State Historic Park (SHP): Cultural Trail project.
- Provides hiring authority for 5.0 positions in 2024-25, an additional 5.0 positions in 2025-26, and an additional 7.0 positions in 2026-27, for a total of 17 permanent positions for the Next Generation Recreational Sales and Reservation Management System Solution (R2S2 NextGen) Project.

- Provides \$29 million in 2024-25 from the Off-Highway Vehicle (OHV) Trust Fund for local assistance grants.
- Provides \$300,000 Harbors and Watercraft Revolving Fund (HWRF) in 2024-25 and ongoing to continue constructing and delivering Americans with Disabilities Act (ADA) compliant floating restrooms to California's lakes and reservoirs to help protect these waters from contamination by recreational boater sewage.
- Provides \$360,000 Winter Recreation Fund (WRF) and one permanent position in 2024-25 and ongoing to accommodate unmet visitor services workload at SNO-Parks, as well as project backlogs and cost increases for ongoing contracts.
- Reappropriates existing Capital Outlay appropriations to allow for the completion of projects currently in process.
- Conforms trailer bill language to the final decision on the Proposition 98 package for the California State Park Adventure Pass Program.
- Adopts placeholder trailer bill language that among other things, redefines "personal watercraft," as specified; prohibits a person from operating a personal watercraft with an engine cut-off switch, as specified; prohibits a person from operating from operating a recreational vessel underway with a child under 13 years of age onboard unless certain conditions are met.
- Adopts placeholder trailer bill language authorizing Parks to negotiate a service contract with an entity qualified to do business in the state as a ferry operator, for the transport of passengers via ferry service between the City of Tiburon and Angel Island State Park.

### **Department of Conservation**

- Rejects \$50 million fund shift from General Fund to Greenhouse Gas Reduction Fund for Oil and Gas Well Capping and cuts \$50 million instead.
- Provides \$7.5 million for FY 2024-25 and 2025-26 from the Oil, Gas, and Geothermal Administrative Fund (3046) to implement the mandates of recent chaptered legislation associated with conducting state abandonments to plug and abandon hazardous and idle-deserted wells, decommissioning of facilities, and site remediation. Adopt alternative Trailer Bill Language clarifying that the General Fund provided in the 2022-23 fiscal year shall qualify as the state match for the \$7.5 million to be provided in the 2025-26 fiscal year from OGGAF.
- Cuts \$7 million from the Climate Smart Land Management Program.

- Cuts \$5.7 million from the Multi-benefit Land Repurposing Program.
- Fund Shifts \$20 million General Fund to Greenhouse Gas Reduction Fund for the Regional Forest & Fire Capacity Program (Wildfire Package).
- Add twenty-four (24.0) permanent positions and an appropriation increase of \$5,992,000 in 2024-25 and \$5,680,000 ongoing from the Oil, Gas and Geothermal Administrative Fund (3046) to strengthen enforcement of existing laws and regulations, financial liability, improve public transparency, and implement chaptered legislation.
- Increases administration costs by \$6.2 million (Program 9900100), and an equivalently decreases distributed administrative costs by approximately \$6.2 million (Program 99002000) for FY 2024-25 and ongoing to fully fund positions and workload transferred to administrative functions within the Department.
- Provides two (2.0) permanent positions and an appropriation increase of \$466,000 in 2024-25, \$742,000 in 2025-26, \$742,000 in 2026-27, \$542,000 in 2027-28, and \$342,000 ongoing from the Abandoned Mine Reclamation and Minerals Fund (AMRMF, 3025) to accelerate abandoned mine inventory and remediation, and to support the California Environmental Protection Agency's (CalEPA) cleanup of the Newton Mine site, which is a State priority source of contamination to State waters.

### **California Conservation Corps**

- Cuts \$400,000 for Vehicle Replacements: 2022-23 Unencumbered Balance.
- Cuts \$300,000 for Los Padres Facility Repairs: 2021-22 Unencumbered Balance.
- Authorizes the California Conservation Corps to hire 1.0 Electrician I, 1.0 Conservationist II, and 1.0 Management Services Technician for fiscal year 2024-25 and ongoing, and 1.0 Electrician I for three years (ends June 30, 2027) to address critical staffing needs.
- Provides \$5,951,000 Public Buildings Construction Fund supplemental appropriation for the working drawings phase to renovate and/or build new at the existing Auberry Elementary School into a new residential center in the City of Auberry in Fresno County to meet programmatic needs including essential service facilities to support Type 1 fire crews.
- Provides \$26,000 ongoing and Item 3340-001-0318 be increased by \$9,000 ongoing to reflect revised employee compensation costs.



- Reflects withdrawal of the Proposition 68 offset for the Nonresidential Center, Wilderness and Watersheds Restoration District: Acquire Existing Nonresidential Facility capital outlay project that was included in the Governor's Budget and is now being withdrawn.
- Reflects withdrawal of the Proposition 68 offset for the Residential Center, Camarillo: Fitness, Fire Readiness, and Health & Safety capital outlay project that was included in the Governor's Budget and is now being withdrawn.

### **CalFire**

- Rejects \$5.7 million cut for Monitoring and Research and instead fund shifts to Greenhouse Gas Reduction Fund.
- Cuts \$25 million for the Post-fire Reforestation Grant Program.
- Rejects \$18,684,000 one-time General Fund for the acquisition phase of the Additional CAL FIRE Training Center: New Facility (ACFTC) project.
- Rejects a supplemental of \$12,906,000 General Fund for the acquisition phase of the Additional CAL FIRE Training Center: New Facility project.
- Approves \$43.0 million (\$42.6 million from the General Fund and \$373,000 from other funds) and 226 positions in 2024-25 to support five hand crews on a one-year basis (excluding the proposed funding for facility improvements and amortization of vehicles and related equipment). Reject the proposed out-year funding.
- Approves \$199 million (\$197 million from the General Fund) and 338 positions in fiscal year 2024 25 to begin implementing a shift to a 66-hour workweek as contemplated in the 2022 Memorandum of Understanding (MOU) with Unit 8; approve \$770 million (\$756 million from the General Fund) on an ongoing annual basis and 2,457 permanent positions by 2028-29; Add placeholder TBL requiring CalFire to report annually on wildfire prevention and resiliency work.
- Cuts \$17 million General Fund for the Alma Helitack Base and Hollister Air Attack Base/Bear Valley Helitack Base Acquisition Funding.
- Fund shifts \$20 million General Fund to Greenhouse Gas Reduction Fund for the Prescribed Fire Liability Pilot Program.
- Fund shifts \$10 million General Fund to Greenhouse Gas Reduction Fund for Tribal Wildfire and Forest Resilience.

- Cuts \$300,000 California Vegetation Treatment Program (CalVTP) (Board of Forestry): 2021-22 Unencumbered Balance.
- Cuts \$11.6 million for Deferred Maintenance: 2021-22 Unencumbered Balance.
- Cuts \$1.7 million for Green Schoolyards: 2022-23 Unencumbered Balance (Extreme Heat Package).
- Cuts \$3.2 million Forest Health Grants: 2021-22 Unencumbered Balance (Wildfire and Forest Resilience Package).
- Cuts \$300,000 for the Forest Inventory Analysis: 2021-22 Unencumbered Balance (Wildfire and Forest Resilience Package).
- Cuts \$4.1 million for the Interagency Forest Data Hub: 2021-22 Unencumbered Balance (Wildfire and Forest Resilience Package).
- Fund Shifts \$82 million General Fund to Greenhouse Gas Reduction Fund for Fire Prevention Grants (Wildfire Package).
- Fund Shifts \$26 million General Fund to Greenhouse Gas Reduction Fund for Unit Fire Prevention Projects (Wildfire Package).
- Cuts \$5.3 million in Prescribed Fire and Hand Crews (Wildfire Package).
- Provides \$7,619,000 Public Building Construction Fund for the performance criteria phase of the Sonoma Lake Napa Unit Headquarters and Glen Ellen Fire Station: Relocate Facility project, located in Sonoma County. Adds placeholder trailer bill language to preserve and protect habitat.
- Authorizes \$124.7 million in Reimbursement authority to CalFire to account for non-state entity reimbursements from government agencies that contract with CalFire.
- Provides \$1,454,000 General Fund for the preliminary plans phase of the Boggs Mountain Helitack Base: Relocate Facility project, located in Lake County.
- Provides \$640,000 General Fund for the preliminary plans phase of the Hayfork Fire Station: Replace Facility project, located in Trinity County.
- Provides \$2,446,000 General Fund for the working drawings phase of the Hollister Air Attack Base/Bear Valley Helitack Base: Relocate Facilities project, located in San Benito County.

- Includes \$3,952,000 Public Buildings Construction Fund for the working drawings phase of the Humboldt-Del Norte Unit Headquarters: Relocate Facility project, located in Humboldt County.
- Includes \$18,636,000 Public Buildings Construction Fund authority for the construction phase of the Parkfield Forest Fire Station: Relocate Facility project, located in Monterey County.
- Provides \$12 million one-time General Fund in fiscal year 2024-25 for a loading pit reconfiguration at the Ramona Air Attack Base to repair and improve retardant loading operations, better meet tactical objectives, and increase fire operations.
- Provides \$1,945,000 General Fund for the construction phase of the Rohnerville Air Attack Base: Replace Fuel System project, located in Humboldt County.
- Provides \$11,042,000 General Fund to repay the interim financing loan for the construction phase of the Ishi Conservation Camp: Replace Kitchen project.
- Reflects withdrawal of Governor's proposal for \$57,623,000 Public Buildings Construction Fund for the construction phase of the Butte Fire Center: Replace Facility project, located in Butte County.

### **Department of Fish and Wildlife**

- Fund shifts \$17.2 million General Fund to Greenhouse Gas Reduction Fund for Wetlands Restoration.
- Delays \$16 million General Fund from 22-23 to 26-27 for Wildlife Corridors and Fish Passage/ Fish and Wildlife Protection.
- Abolishes the Coastal Wetlands Fund (3104) and transfer the remaining fund balance to the General Fund, as revenue no longer comes into this Fund.
- Provides \$2.4 million from the Fish and Game Preservation Fund - Habitat Restoration and Enhancement Dedicated Account in Fiscal Year (FY) 2024-25 with an extended encumbrance period through June 30, 2026, and an extended liquidation period through June 30, 2031, to support golden eagle conservation.
- Includes \$2.0 million from the Timber Regulation and Forest Restoration Fund (TRFRF) in Fiscal Year (FY) 2024-25 and ongoing to support the Department's facilitation of and participation in statewide forest health and fire-resiliency initiatives.

- Provides \$750,000 Oil Spill Prevention and Administration Fund (OSPAF) in Fiscal Year (FY) 2024-25 and ongoing for the Oiled Wildlife Care Network (OWCN) to ensure its ability to perform its statutorily mandated responsibilities going forward.
- Adopts placeholder trailer bill language to raise the limit of the amount that can be appropriated to the Oil Spill Prevention and Administration Fund to allow for the above-mentioned additional ongoing appropriation.
- Adds three permanent positions and \$718,000 Greenhouse Gas Reduction Fund in 2024-25, an additional five permanent positions and \$1.7 million total in 2025-26, and \$1.7 million Salton Sea Lithium Fund in 2026-27 and ongoing to support the expediting of projects at the Salton Sea.
- Provides 29.0 positions (permanent position authority only) in Fiscal Year (FY) 2024-25 and ongoing to increase capacity for cannabis environmental restoration and protection by expanding stakeholder engagement, increasing grant opportunities, and increasing law enforcement and scientific capacity.
- Provides various adjustments to the Fish and Game Preservation Fund's dedicated accounts, California Waterfowl Habitat Preservation Account, Fish and Game Preservation Fund, Upper Newport Bay Ecological Reserve Maintenance and Preservation Fund, and Nesting Bird Habitat Incentive Program Account, Fish and Game Preservation Fund resulting in an increase of \$3.22 million in Fiscal Year (FY) 2024-25, and \$2.62 million ongoing; adopts associated placeholder trailer bill language.
- Provides one-time funding of \$7.64 million from the Environmental Enhancement Fund in Fiscal Year (FY) 2024-25 with an extended encumbrance period through June 30, 2026, and an extended liquidation period through June 30, 2031, to allow the Department to meet the needs of grant applicants completing habitat restoration work and follow necessary administrative and grant award timeline.
- Adopts placeholder trailer bill language to enable CDFW to abolish Fund 3104 and transfer the remaining fund balance to the General Fund.

### **State Coastal Conservancy**

- Cuts \$171.1 million General Fund from Coastal Protection and Adaptation, but restores \$37 million with Greenhouse Gas Reduction Fund.
- Cuts \$220.9 million for Sea Level Rise.

- Cuts \$50 million for Opportunity Acquisitions.

### **CA Coastal Commission**

- Provides \$1,133,000 in ongoing funding from the Coastal Act Services Fund (CASF) to support operational costs and three previously authorized positions in the Accounting Unit and the Fiscal & Business Services Unit.
- Adds three new permanent positions to expedite state-funded priority projects, including ecological restoration, wildfire resilience and nature-based climate adaptation, in the coastal zone.
- Provides requests \$2.1 million General Fund and 9 permanent positions in 2024-25 and \$3.8 million General Fund and 18 positions in 2025-26 and ongoing to support workload associated with the implementation of Chapter 384, Statutes of 2023 (Senate Bill (SB) 272).
- \$5.3 million General Fund in 2024-25 and 2 permanent positions to support implementation of SB 286, and \$1.5 million in 2024-25 for offshore wind call area planning and management.

### **Tahoe Conservancy**

- Cuts \$1 million General Fund of the unencumbered balances of funds for the minor projects phase of the ADA Site Improvements project to the fund from which the appropriation was made.
- Reflects withdrawal of the Governor's proposal for \$250,000 Federal Trust Fund authority to develop working drawings for the multiple-benefit Upper Truckee River Sunset Stables Reach 6 Restoration Project.
- Provides \$100,000 in ongoing local assistance funding to expand lake access and reduces support funding of \$228,000 ongoing from the Lake Tahoe Conservancy Account.
- Provides \$300,000 Safe Water, Water Quality and Supply, Flood Control, River and Coastal Protection Fund of 2006 (Proposition 84) for conceptual feasibility planning for future watershed, habitat, and recreation improvements.
- Includes \$890,000 (\$890,000 from Water Security, Clean Drinking Water, Coastal and Beach Protection Fund of 2002 (Prop 50)) for various minor capital outlay projects. These projects involve stabilizing and improving previously acquired property, ensuring public safety, and completing upgrades on developed facilities.

- Includes \$500,000 Federal Trust Fund to study restoration opportunities and complete environmental review for the Trout and Cold Creeks Watershed Restoration Project.
- Adds \$100,000 in Proposition 50 for the Van Sickle Bi-State Park Safety and Equitable Access Improvements Project, including establishing a paved trail connecting the day-use areas, creating a new state line monument and plaza, paving the California day-use area parking lot, and paving the entrance trail to accommodate Americans with Disabilities Act (ADA) accessibility, storm water run-off, and snow removal.
- Provides \$1 million one-time to continue implementing projects and provide funding to partners to improve parks and natural areas, restore rivers and wetlands, improve access for all, and support climate preparedness and resiliency.
- Provides \$2,000,000 California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund (Proposition 68), \$756,000 Tahoe Conservancy Fund, and will use \$100,000 of existing Habitat Conservation Fund for the preliminary plans, working drawings, and construction phases of the Lake Tahoe Blvd Demolition and Site Stabilization Project.
- Provides \$400,000 one-time for a total of \$700,000 for the Future Upper Truckee Marsh Restoration Project now that the department has received additional federal funding since Governor's Budget.

### **Wildlife Conservation Board**

- Rejects \$70 million General Fund to Greenhouse Gas Reduction Fund shift and instead cuts \$70 million for Protecting Fish and Wildlife from Changing Conditions.
- Rejects \$42 million General Fund to Greenhouse Gas Reduction Fund shift and instead cuts \$42 million for Nature Based Solutions Programs.
- Approves \$101.1 million General Fund to Greenhouse Gas Reduction Fund shifts but delays \$26.7 million to 26-27.
- Approves \$45 million reduction from prior year and current year from the Habitat Conservation Fund, but rejects early sunset of \$20 million General Fund transfer to the Habitat Conservation Fund; rejects associated trailer bill language.

**State Lands Commission**

- Provides Federal Trust Fund Authority in the amount of \$20,782,000, which was granted to the Commission through the Inflation Reduction Act, for the purpose of implementing a Methane Emissions Reduction Program for Marginal Conventional Wells.
- Provides \$1,370,000 one-time and 2 permanent positions in fiscal year 2024-25 to support the development of Offshore Wind Infrastructure.

**San Francisco Bay Conservation and Development Commission**

- Provides \$434,000 General Fund in 2024-25 and \$170,000 General Fund annually thereafter to cover increased Department of Justice (DOJ) litigation costs.

**San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy**

- Adds a permanent position to support RMC's Wildfire Resilience Program from within existing funds.

**Department of Fish and Wildlife/ Department of Parks and Recreation**

- Cuts \$34.5 million for Stewardship of State-Owned Lands.

**Department of Water Resources/ Wildlife Conservation Board**

- Cuts \$231.6 million for Watershed Climate Resilience, but restores \$60.7 million with Greenhouse Gas Reduction Fund.

**Various**

- Provides for appropriations and reappropriations from various bonds, reversions, reversions with associated new appropriations, and other non-bond technical adjustments to continue implementation of existing authorized.
- Cuts \$27.7 million from various Conservancy Project Implementation in high fire-risk regions.
- Cuts \$17.5 million from the Drought-Contingency Control Section.
- Cuts \$141.9 million from Aquatic Habitat and Drought Resilience and Expediting Large Scale Habitat.

- Cuts \$9.4 million from Data, Research, and Communications.
- Provides funding to the following departments from the General Fund and other special funds to implement statutory requirements associated with legislation chaptered in 2023:

BU	Department	Issue Title (Chapter/Bill)	Fund Source	BY (\$ in Thousands)	BY+1 (\$ in Thousands)	BY+2 (\$ in Thousands)	BY+3 (\$ in Thousands)	BY+4 (\$ in Thousands)	Total Ongoing Positions
0540	Natural Resources Agency	Extreme Heat Action Plan (Chapter 387, SB 306)	GF	\$250	\$250	\$250	\$250	\$250	1.0
3480	Department of Conservation	Oil and Gas Acquisition and Bond Requirements (Chapter 359, AB 1167)	3046	\$751	\$697	\$697	\$697	\$697	4.0
3540	Department of Forestry and Fire Protection	Fireworks Public Safety (Chapter 368, AB 1403)	GF	\$638	\$528	\$512	\$512	\$512	2.0
3600	Department of Fish and Wildlife	Bagley-Keene Open Meeting Act: Teleconferencing (Chapter 218, SB 544)	0200 0320 3103	\$262	\$262	\$ -	\$ -	\$ -	1.0
3720	California Coastal Commission	Streamlined Housing Approvals Implementation (Chapter 778, SB 423)	GF	\$200	\$200	\$200	\$200	\$200	1.0
3790	Department of Parks and Recreation	State Parks Reservations (Chapter 536, AB 618)	GF	\$200	\$ -	\$ -	\$ -	\$ -	-
3860	Department of Water Resources	California Water Supply Solutions Act Implementation (Chapter 624, SB 659)	GF	\$300	\$300	\$300	\$300	\$300	1.0



## ENVIRONMENTAL PROTECTION

### California Air Resources Board

- Adopts a 5 year GGRF spending plan and \$5.2 billion in fund shifts.
- Approves \$250 million per year for AB 617 for the next 5 years.
- Reverts \$55 million GGRF for methane satellites from \$105 million total.
- Reverts entire \$30 million for mobile air monitoring in GGRF.
- Loans \$300 million from the Air Pollution Control Fund Loan to the General Fund.
- Reduces by \$6.3 million Air Pollution Control Fund in 2024-25 and ongoing and Item 3900-101-3119 by increased by \$6.3 million Air Quality Improvement Fund in 2024-25 and ongoing to appropriate resources from the correct fund source for the approved reauthorization of AB 8 fees (Chapter 319, Statutes of 2023), which were originally approved through Chapter 401, Statutes of 2013.
- Approves 1.0 Information Technology Specialist II permanent position for \$185,000 and \$1,142,000 in contract funds from the Cost of Implementation Account (COIA) to develop and maintain a reporting tool to track compliance with California Code of Regulations, §1962.4 Zero-Emission Vehicle Requirements for 2026 and Subsequent Model Year Passenger Cars and Light-Duty Trucks.
- Adopts \$684,000 ongoing and 3 PYs from Air Pollution Control Fund to implement Clean Energy Projects Assessment: Chapter 336, Statutes of 2023 (AB 585).
- Adopts \$220,000 ongoing and 1 PY to implement Zero Emission Vehicles for Public Agency Utilities: Chapter 585, Statutes of 2023 (AB 1594).
- Approves \$845,000 from the Air Pollution Control Fund (APCF) and \$247,000 in reimbursement authority in ongoing funding to convert 5.0 expiring limited-term positions to permanent positions. CARB is also requesting to convert 11.0 expiring limited-term positions to permanent and continue to fund them through the administrative draw from local assistance to state operations.
- Authorizes \$658,000 for 3.0 permanent Air Pollution Specialist (APS) positions funded through the Air Pollution Control Fund (APCF) to fulfill the need to implement CARB's

amendments to the Chrome Plating Airborne Toxic Control Measure (Chrome Plating Amendments).

- Adopts \$8.4 million for 28.0 permanent positions, including \$1.2 million in contract funds and \$500,000 in estimated litigation costs in 2024-25; \$12.3 million for 40.0 permanent positions and \$3.2 million in contract funds in 2025-26; and \$13.9 million for 42.0 permanent positions and \$4.3 million in contract funds in 2026-27 and ongoing. Once established, funding will be provided by two new funds: the Climate Accountability and Emissions Disclosure Fund and the Climate-Related Financial Risk Disclosure Fund, with 2024-25 and 2025-26 costs initially funded by a loan from the Greenhouse Gas Reduction Fund (GGRF). Beginning in 2026-27, the requested funding from the Greenhouse Gas Reduction Fund will be phased out, fully repaid, and replaced by two statutorily authorized new funds that will generate revenue in the outyears: the Climate Accountability and Emissions Disclosure Fund (for SB 253), and the Climate-Related Financial Risk Disclosure Fund (for SB 261).
- Adopts placeholder language to amend SB 253 and SB 261.
- Approves an additional \$1.8 million in ongoing funding from the Truck Emissions Check (TEC) fund to support 10.0 positions established in the 2022 Budget Act (Chapter 43, Statutes of 2022) to implement SB 210 (Chapter 298, Statutes of 2019). This request allows CARB to continue implementing and enforcing the Heavy-Duty Inspection and Maintenance (HD I/M) program.
- Adopts \$1.1 million from the Air Pollution Control Fund (APCF) for 7.0 permanent positions in 2024-25 and ongoing to implement and enforce CARB adopted amendments to the In-Use Off-Road Diesel-Fueled Fleets Regulation (Off-Road Regulation, Cal. Code Regs, title 13, §§ 2449 et seq.). This request includes 3.0 Air Pollution Specialist and 4.0 Air Resources Technician II positions, which are necessary to conduct and process an increase in fleet audits and field inspections; handle an increase in correspondence with the regulated community; process new compliance certification requests; and manage increased direct outreach and training to the regulated community.
- Approves 3.0 positions and an appropriation of \$3.8 Million in ongoing annual funding to support the expanded use of the Exceptional Event rule (Clean Air Act, section 319b) and the extension of the Prescribed Burn Reporting and Monitoring Grant Program (herein referred to as Grant Program) beyond 2023-24. The \$3.8 Million is required to meet statutory requirements set forth in Senate Bill (SB) 1260 (Chapter 624) and to carry out the duties associated with the implementation of the State's Wildfire & Forest Resilience Action Plan (Action Plan), as codified by Senate Bill (SB) 456 (Laird, Chapter 387, Statutes of 2021).

- Provides \$2.85 million for 12.0 full-time permanent positions in 2024-25 and ongoing, and \$1 million for one-time air measurement equipment purchases in 2024- 25, and an additional \$1 million in 2025-26 and ongoing for air quality modeling computing resources (\$500,000) and research (\$500,000) to be funded from the Air Pollution Control Fund (APCF).
- Adopts \$149,000 for 1.0 permanent position and contract funding to renew CARB's current Southern Headquarters (HQ) Building Management Contract: \$6.1 million in 2024-25, \$9.0 million in 2025-26, and \$9.4 million in 2026-27 and ongoing.
- Authorizes \$447,000 in ongoing funding from the Air Pollution Control Fund (APCF) for 3.0 new permanent full-time (PFT) positions starting in 2024-25, with the opportunity to utilize the Portable Equipment Registration Program (PERP) fees in the amount of \$444,000 annually thereafter to fund the positions.

### **California Environmental Protection Agency**

- Provides \$676,000 in 2024-25, and \$444,000 ongoing in out-years for 2 permanent positions to stabilize the CalEPA Environmental Complaint System and additional reimbursement authority for CalEPA.
- Provides \$3,171,000 from the Unified Program Account in 2024-25 to implement a technology refresh on the California Environmental Reporting System (CERS), which will update the platform, and improve data quality and the processes supporting data quality.
- Fund shifts \$5 million from General Fund to Greenhouse Gas Reduction Fund for Environmental Justice Action Grants (Community Resilience Package).

### **CalRecycle**

- Provides \$13.1 million in 2024-25 from the California Beverage Container Recycling Fund (CBCRF) for the CalRecycle Integrated Information System (CRIIS).
- Authorizes CalRecycle to add 6 new permanent ongoing positions in 2024-25 to implement and manage the grant programs under Senate Bill (SB) 1013 (Ch. 610, Statutes of 2022) and Assembly Bill (AB) 179 (Ch. 249, Statutes of 2022).
- Reflects withdrawal of Governor's proposal to provide a \$150 million loan to the General Fund from the Beverage Container Recycling Fund.

- Adopts placeholder trailer bill language with a technical amendment to abolish the Covered Electronic Waste Recycling Fee Subaccount (Fund 3417), leaving the Electronic Waste Recovery and Recycling Account (Fund 3065) as the fund in which all covered electronic waste recycling fees collected from sales of covered electronic devices, are deposited.

### **Department of Toxic Substances Control**

- Provides a total of \$750,000 in 2024-25 and ongoing (including a net reduction of \$4.6 million Hazardous Waste Control Account (HWCA) and increases of \$5.3 million other funds) for the Hazardous Waste Control Account (HWCA): Generation and Handling Fee Shortfall Solutions (BCP and TBL). Approves portion of proposed trailer bill language that clarifies exemptions and authorizes emergency rulemaking authority to implement exemption review process. Reject other proposed trailer bill provisions without prejudice until review and discussion in policy committees later this summer.
- Conforms proposed trailer bill language for the Clean Up in Vulnerable Communities General Fund Solution to the Greenhouse Gas Reduction Fund Expenditure Plan and General Fund Solutions Package.
- Provides \$331,000 in 2024-25 and ongoing, split between the Hazardous Waste Control Account (HWCA) and Toxic Substances Control Account (TSCA), to increase baseline funding to recategorize certain BES staffing positions.
- Adds 5.0 permanent positions in 2024-25 with funding of \$1.6 million in 2024-25, and \$1.2 million ongoing from the Toxic Substances Control Account (TSCA); authorizes reimbursement authority in 2024-25 of \$385,000 and \$199,000 in 2025-26.
- Provides \$1.7 million from the Toxic Substances Control Account (TSCA) in 2024-25 and ongoing, \$800,000 in reimbursement authority in 2024-25 and ongoing, and 9.0 permanent positions to enable the timely cleanup of contaminated sites in the Bay Area.
- Transfers \$20.5 million from the Toxic Substances Control Account to the Site Remediation Account and authorizes \$20.5 million expenditure authority to DTSC from the Site Remediation Account in 2024-25 to fund the state's National Priorities List obligations and state orphan sites with Priorities 1A, 1B, 2, and 3, and statewide service contracts.
- Adds 1.0 permanent position, \$808,000 in 2024-25 and \$508,000 ongoing from the Electronic Waste Recovery and Recycling Account (EWRRA) to implement Senate Bill (SB)1215, Chapter 370, that expands the scope of the Electronic Waste Recycling Act to include additional device categories

- Provides \$4 million from the Lead-Acid Battery Cleanup Fund (LABCF) over two years, which includes \$1 million in 2024-25 and \$3 million in 2025-26 to support DTSC's ongoing cost recovery litigation efforts against parties responsible for contributing to the contamination from the former Exide Technologies facility in Vernon, California.

### **Water Board**

- Approves partial fund shift of \$228.5 million General Fund to Greenhouse Gas Reduction Fund for Drinking Water/ Wastewater Infrastructure, cuts the remaining \$124 million General Fund.
- Cuts \$29.1 million for Per- and polyfluoroalkyl substances (PFAS) support (May Revision).
- Cuts \$100 million General Fund in 25-26 for Water Recycling/ Groundwater Cleanup.
- Fund shifts \$144.9 million General Fund from 23-24 to Greenhouse Gas Reduction Fund for Water Recycling/ Groundwater Cleanup; cuts the remaining \$29.8 million.
- Cuts \$101.6 million for Per- and polyfluoroalkyl substances (PFAS) support (Governor's Budget).
- Approves a \$200.6 million loan from the Underground Storage Tank Fund to the General Fund.
- Adds 1.0 permanent position and \$250,000 ongoing resources from the Safe Drinking Water Account to support the Division of Drinking Water's (DDW) efforts to implement solutions for communities lacking safe drinking water and enforce the Safe Drinking Water Act.
- Includes \$711,000 in ongoing funding from the Water Rights Fund for 2.0 permanent positions to support establishing and implementing long-term instream flow objectives in the Scott River and Shasta River Watersheds.
- Provides \$1.706 million Water Discharge Permit Fund (WDPF) in 2024-25 and 3.0 permanent positions in response to a lawsuit and required actions outlined in a court-approved Stipulated Settlement Agreement that resolved the litigation.
- Includes \$629,000 ongoing from various funds (Waste Discharge Permit Fund; Safe Drinking Water Account; Integrated Waste Management Account, Integrated Waste Management Fund; Underground Storage Tank Clean Up Fund; Oil, Gas, and Geothermal Administrative Fund; Water Rights Fund; Timber Regulation and Forest Restoration Fund; and the State

Water Pollution Control Revolving Fund Administrative Fund) to enhance the Information Security Office (ISO) staffing capabilities and establish a new Privacy Office.

- Includes \$1.2 million in on-going funding from the Water Rights Fund to support 5.0 positions to help expedite groundwater recharge permits.
- Approves 26 positions and \$4.7 million from the Waste Discharge Permit Fund in 2024-25 and ongoing. Reject the requested additional 12 positions and \$2.3 million beginning in 2025-26. Approve \$1.1 million contract funds in 2024-25 for IT services and \$235,000 in contract funds in 2024-25 and \$35,000 in contract funds in 2025-26 and ongoing for staff training. Add placeholder budget bill language to provide reporting requirements related to the impacts of the Sackett Ruling on SWRCB.
- Provides \$3.7 million one-time General Fund in 2024-25 to pay for critical performance, efficiency, and safety improvements to the aging Leviathan Mine Pond Water Treatment (PWT) System.
- Adopts placeholder trailer bill language authorizing the Department of General Services to convey all or a portion of the Leviathan Mine Site to any entity if the Director determines that the conveyance is in the best interest of the state; and requires the net proceeds from the disposition of the site be deposited into the Deficit Recovery Bond Retirement Sinking Fund Subaccount.
- Provides \$881,000 ongoing and 4.0 permanent positions from the Safe Drinking Water Account to carry out the public small water system (SWS) regulatory program for Los Angeles County.
- Authorizes an additional \$100 million in 2024-25 from the Underground Storage Tank Cleanup Fund (USTCF) with 3 years to encumber and 3 years to liquidate; and authorizes a transfer of \$15 million in 2024-25 from the USTCF to the Orphan Site Cleanup Fund (OSCF) with an encumbrance period of 3 years and a liquidation period of 3 years.
- Adopts placeholder trailer bill language authorizing SWRCB, upon appropriations of funds by the Legislature, to provide grants and direct expenditures to public water systems that serve small or disadvantaged communities to address emerging contaminants in those communities, consistent with the federal grant terms, as provided.

### **Department of Pesticide Regulation**

- Rejects the \$717,000 ongoing Greenhouse Gas Reduction Fund appropriation for the Sustainable Funding for Pest Management BCP. Reject without prejudice the associated

trailer bill language. Approve Sustainable Funding for Pest Management at the Department of Pesticide Regulation BCP contingent upon passage of, and conforming, to AB 2113.

- Cuts \$2.6 million for Pesticide Notification
- Provides \$4.4 million DPR Fund for 2024-25, including \$4.1 million in one-time funding with a two-year encumbrance period, and \$318,000 ongoing funding to provide ongoing support for the system.

**Various**

- Includes requests for various bond appropriations, reappropriations, and reversions; technical adjustments; reappropriations; and baseline adjustments to continue implementation of previously authorized programs across departments within the Californian Environmental Protection Agency.
- Provides funding to the following departments from the General Fund and other special funds to implement statutory requirements associated with legislation chaptered in 2023:

Department	Issue Title Chapter/Bill	Fund	BY	BY+1	BY+2	BY+3	BY+4	Positions Requested
State Air Resources Board	Clean Energy Projects Assessment: Chapter 336, Statutes of 2023 (AB 585)	0115 Air Pollution Control Fund	\$684	\$899	\$681	\$681	\$681	3.0
State Air Resources Board	Zero Emission Vehicles for Public Agency Utilities: Chapter 585, Statutes of 2023 (AB 1594)	3237 Cost of Implementation Account, Air Pollution Control Fund	\$220	\$219	\$219	\$219	\$219	1.0
Department of Pesticide Regulation	Private Unmanned Pest Control Aircraft Certification: Chapter 354, Statutes of 2023 (AB 1016)	0106 Department of Pesticide Regulation Fund	\$436	\$436	\$436	\$436	\$436	2.5
Department of Pesticide Regulation	Department of Pesticide Regulation Environmental Justice Advisory Committee: Chapter 662, Statutes of 2023 (AB 652)	0106 Department of Pesticide Regulation Fund	\$580	\$580	\$580	\$580	\$580	2.0
State Water Resources Control Board	Enforcement Support for At-Risk Domestic Well Compliance: Chapter 810, Statutes of 2023 (AB 664)	0306 Safe Drinking Water Account	\$450	\$450	\$450	\$450	\$450	3.0
State Water Resources Control Board	Pajaro River Flood Risk Management Project: Chapter 816, Statutes of 2023 (AB 876)	0193 Waste Discharge Permit Fund	\$225	\$225	\$225	\$225	\$225	1.0
State Water Resources Control Board	Water Shut Off Protection Expansion Chapter	0306 Safe Drinking Water Account	\$1,625	\$1,375	\$1,375	\$1,375	\$1,375	5.0

## OTHER DEPARTMENTS

### Department of Food and Agriculture

- Rejects \$17.9 million General Fund cut to drought and flood relief for small farmers and instead fund shifts full amount to Greenhouse Gas Reduction Fund
- Rejects \$14.4 million General Fund cut to the Farm to Community Food Hubs Program, and instead fund shifts full amount to Greenhouse Gas Reduction Fund
- Rejects \$33.2 million General Fund cut to the California Nutrition Incentive Program and instead fund shifts full amount to Greenhouse Gas Reduction Fund
- Delays \$23 million General Fund from 23-24 to 26-27 for the Enteric Methane Incentives Program
- Cuts \$30 million from the Farm to School Incubator Program
- Rejects \$20.6 million fund shift from General Fund to Greenhouse Gas Reduction Fund for the State Water Efficiency and Enhancement Program and cuts General Fund instead
- Fund Shifts \$24 million General Fund to Greenhouse Gas Reduction Fund for the Livestock Methane Reduction Program
- Cuts \$8.5 million General Fund from the Healthy Refrigeration Program
- Cuts \$200,000 Technical Assistance Program for Underserved Farmers (Sustainable Agriculture Package)
- Cuts \$2.1 million from the Fairs Resilience Grant Program
- Cuts \$2.8 million from the State Water Efficiency Enhancement Program
- Cuts \$400,000 from the Pollinator Habitat Program
- Cuts \$6.9 million from Water Efficiency Technical Assistance
- Adopts placeholder trailer bill language to require the department to apply for Federal Funding under the Gus Schumacher Nutrition Incentive Program, if funding is available



- Provides \$99,250,000 Public Buildings Construction Fund to begin the construction phase for the Blythe Border Protection Station Replacement Project.
- Provides seven permanent positions in Fiscal Year 2024-25 and ongoing to perform the research, outreach, survey, treatment, and assessment activities related to Broomrape, as required by Chapter 651, Statutes of 2023 (AB 402). AB 402 authorized a continuous appropriation for this program, so expenditure authority is not being requested.
- Provides one-time \$24,985,000 General Fund and \$28,786,000 Federal Trust Fund (FF) authority in Fiscal Year (FY) 2024-25 to respond to numerous unanticipated emergencies related to the infestation of invasive fruit flies (IFF). Due to the unprecedented numbers of IFF activities statewide that began in FY 2023-24, significant resources are required to prevent an irrevocable establishment of IFFs in California.
- Provides \$63,497,000 (\$25,792,000 General Fund Reimbursements and \$37,705,000 Federal Fund) in Fiscal Year (FY) 2024-25, and \$32,692,000 General Fund Reimbursements in FY 2025-26 and \$25,692,000 in FY 2026-27 to provide sufficient budgetary authority to complete work related to three multi-year agreements that the Department entered into with the federal government in FY 2023-24.

### **Exposition Park**

- Provides \$479,000 ongoing Exposition Park Improvement Funds and \$84,000 in reimbursement authority for 3 positions to facilitate increased revenue collection in higher trafficked areas of the park.
- Provides \$351,547,000 from the Public Building Construction Fund for the design-build phase of Exposition Park's Southeast Underground Parking Structure project to construct an underground parking structure with a public park on its top deck with an adjacent headquarters and community center
- Provides \$2,905,000 and 7 positions in fiscal year 2024-25, increasing to \$3.9 million ongoing over the subsequent four years, to support additional operational costs at the Samuel Oschin Air and Space Center. These resources will provide essential funding for facilities operations, utilities, and staff to maintain the Phase III facility.
- Provides \$23,000 ongoing to support the costs of minimum wage increases included in the California Science Center's specialized services contract with the California Science Center Foundation.

**Office of Planning and Research**

- Rejects \$40.1 million cut to Extreme Heat and Community Resilience, and instead fund shifts to Greenhouse Gas Reduction Fund; cuts remaining \$70 million
- Cuts \$10 million from the Climate Adaptation and Resilience Planning Grants
- Cuts \$14 million for Extreme Heat Communications/ Community-Based Public Awareness Campaign
- Cuts \$75 million for Regional Climate Resilience
- Rejects General Fund to Greenhouse Gas Reduction Fund shift of \$9.4 million ongoing for the Climate Action Corps, cuts \$9.4 million instead

**Office of Emergency Services**

- Cuts \$12 million for Home Hardening

**Go-Biz**

- Cuts \$6 million from the Wildfire Climate Catalyst Fund.

## ENERGY

### California Energy Commission

- Rejects Energy Resources Program Account (ERPA) Fee Increase Trailer Bill.
- Cuts \$372 million from the Equitable Building Decarbonization Program of the original \$922 million total, by restoring \$50 million with GGRF.
- Cuts \$56.9 million General Fund in 2023-24 from Incentives for Long Duration Storage, which was proposed as a fund shift in January.
- Cuts \$63 million from Distributed Electricity Backup Assets.
- Cuts \$60 million from Hydrogen Grants of the \$100 million total.
- Cuts \$111.5 million from Demand Side Grid Support and fund shifts \$150 million to GGRF.
- Rejects cut to Offshore Wind Port Infrastructure by funding \$36 million with GGRF.
- Cuts \$4.1 million from Energy Data Infrastructure & Analysis.
- Cuts \$143.9 million from Fueling Infrastructure Grants (ZEV Package) for EV charging and hydrogen refueling.
- Cuts \$20 million from Equitable At-Home Charging (ZEV Package).
- Cuts \$80.8 million from Drayage Trucks & Infrastructure (ZEV Package).
- Cuts \$137.8 million from Clean Trucks, Buses and Off-Road Equipment infrastructure for EV charging and hydrogen refueling (ZEV Package).
- Cuts \$475 million from Climate Innovation Program, thereby eliminating the program.
- Cuts \$40 million from Carbon Removal Innovation Program in 2023-24.
- Cuts \$38.8 million from Food Production Investment Program in 2023-24.

- Cuts \$50 million from Industrial Decarbonization Program in 2023-24.
- Reduces Emerging Opportunities funding by \$14.3 million.
- Delays the Clean Energy Reliability Investment Plan and fund shifts it to GGRF.
- Approves \$200,000 in reimbursement authority to allow CEC to receive funding from Caltrans to support CEC's California Vehicle Survey.
- Provides \$493,000 Energy Resources Programs Account (ERPA) in 2024-25 and ongoing to expand the Division of Petroleum Market Oversight.
- Adopts s two years of limited-term funding at \$201,000 per year (total of \$402,000) Energy Resources Programs Account (ERPA) to support CEC staffing needs to complete the requirements outlined in AB 1172 (Chapter 360, Statutes of 2023).
- Funds one permanent position at the Electric Generation System Program Specialist I classification and \$225,000 per year ongoing from the Energy Resources Programs Account (ERPA) to supplement staff resources to develop and maintain the Guidebook required by Chapter 390, Statutes of 2023 (SB 319, McGuire).
- Authorizes \$390 million in federal expenditure authority and reimbursement authority to administer federal funding opportunities from the federal Inflation Reduction Act (IRA) and the Infrastructure Investment and Jobs Act (IIJA). These federal funding opportunities are:
  - Home Energy Performance-Based, Whole-House Rebates (HOMES Rebates, IRA Section 50121)
  - State-Based Home Energy Efficiency Training for Residential Energy Contractors (TREC) (TREC Grants, IRA Section 50123)
  - Funding to Support Adoption of the Latest Model Energy Codes or Zero Energy Codes (IRA section 50131)
  - Energy Efficiency Revolving Loan Fund (EERLF) Capitalization Grant Program (IIJA section 40502)
  - Energy Efficiency & Conservation Block Grant (EECBG) Program (IIJA 40552)
  - EV Charger Reliability and Accessibility Accelerator (EVC RAA)
- Provides one position and \$701,000 General Fund in 2024-25 and \$201,000 General Fund in 2025-26 and ongoing to complete the analysis and studies required in Chapter 405, Statutes of 2023 (SB 605). This request is for \$500,000 one-time contracting funds in 2024-25 and funding for one position in 2024-25 and ongoing.

- Approves \$110,000 Energy Resources Programs Account (ERPA) to support the Department of Transportation (Caltrans) in developing an evaluation of the issues and policies impeding development of land within department-owned rights-of-way as renewable energy generation facilities, energy storage facilities, and electrical transmission and distribution facilities and submit to the legislature on or before December 31, 2025, as required by Chapter 379, Statutes of 2023 (SB 49, Becker).
- Allows \$497,000 annually from the Cost of Implementation Account in 2024-25 and 3.0 positions ongoing to provide technical assistance to ensure local building departments, municipalities, and building design professionals understand and can effectively comply with California's Energy Code (Title 24, Part 6).

### **Office of Energy Infrastructure Safety**

- Approves \$3,151,000 in fiscal year 2024-25 and ongoing (\$3,021,000 Public Utilities Commission Utilities Reimbursement Account (PUCURA) and \$130,000 Safe Energy Infrastructure and Excavation Fund (SEIEF)) for 1.0 Information Technology Specialist II, and to address ongoing contract funding for mission critical and administrative support contracts.

### **California Public Utilities Commission**

- Delays \$550 million for Broadband Last Mile Grants to 2027-2028.
- Cuts \$30 million from the Capacity Building Grant Program, thereby eliminating the program.
- Cuts \$350 million from the Residential Solar and Storage Program, leaving \$280 million.
- Eliminates the Broadband Loan Loss Reserve by cutting \$750 million dollars.
- Approves \$50 million for Community Solar with GGRF in 2025 and 2028.
- Authorizes \$1,860,000,000 in budget authority under the Federal Trust Fund (0890) for the Broadband Equity, Access, and Deployment (BEAD) program grant funds awarded to California in the Infrastructure Investment and Jobs Act (IIJA) of 2021 and 31 temporary positions to help California close the digital divide.
- Approves \$210,000 in ongoing budget authority for one (1.0) position funded by the Public Utilities Commission Transportation Reimbursement Account (PUCTRA, Fund 0461) to

advance the development and implementation of regulations for autonomous vehicle passenger services.

- Authorizes \$1,333,000 from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462): \$390,000 ongoing for two (2.0) positions; \$141,000 annually for three years for one (1.0) temporary staff; \$750,000 ongoing for consultant costs; \$25,000 one-time for training and equipment; and \$27,000 ongoing for equipment maintenance and licenses to develop, implement, and administer the new requirements mandated by Chapter 645, Statutes of 2023 (Assembly Bill 286).
- Increases the local assistance budget authority from the California Advanced Services Fund program (Fund 3141) to \$136.211 million for fiscal year 2024-25 and ongoing.
- Authorizes \$376,984,000 for fiscal year 2024-25 from the Universal LifeLine Telephone Service Trust Administrative Committee Fund (0471) to provide low-income California households with basic, high-quality wireless and wireline services at affordable rates in accordance with the Public Utilities (Pub. Util.) Code section 871 et seq.
- Adopts \$220,000 ongoing and \$389,000 per year for two years from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for staff to implement Chapter 390, Statutes of 2023 (Senate Bill 319).
- Approves \$550,000 in ongoing budget authority for two and a half (2.5) Utilities Engineer positions from the Public Utilities Commission Utilities Reimbursement Account (PUCURA, Fund 0462) to ensure gas operators comply with recent federal gas transmission pipeline safety mandates.
- Adopts \$300,000 in ongoing budget authority from various special funds (Distributed Administration) for the ongoing maintenance and operation costs to sustain an Information Technology hardware/software asset management system.
- Authorizes \$3,640,000 in ongoing budget authority for sixteen (16.0) positions and support from the Public Utilities Commission Utilities Reimbursement Account (PUCURA, Fund 0462) for the ongoing workload related to Chapter 312, Statutes of 2018 (Senate Bill (SB) 100). "The 100 Percent Clean Energy Act of 2018."
- Adopts \$1,398,000 in ongoing budget authority for seven (7.0) positions from the Public Transportation Account, State Transportation (Fund 0046) to address permanent increased workload from the expansion of rail transit systems and meet new federal requirements on establishing a risk-based inspection program.

- Provides permanent position authority for fourteen (14.0) temporary blanket positions for which CPUC was approved permanent and ongoing funding from various budget change proposals from fiscal year 2018-19.
- Adopts \$2,166,000 ongoing funding for 7.0 positions; and \$500,000 annually for up to 5 years, \$50,000 annually for up to 4 years, and \$33,000 ongoing for contract and consultant, training, travel, equipment, and software resources to implement the mandates of Chapter 394, Statutes of 2023 (Senate Bill 410) to oversee a process to reform and improve the rules that govern customer energization requests and related cost recovery from ratepayers.
- Approves 1.0 Public Utilities Regulatory Analyst (PURA) V position and 1 PURA III position at the Public Advocates Office, and \$384,000 to the Public Utilities Commission Public Advocates Office Account (3089) to implement (i) recommendations in the State Auditor's August 2023 Report "Electricity and Natural Gas Rates" and (ii) SB 410 (Chapter 394, Statutes of 2023).
- Funds \$453,000 ongoing funding for two (2.0) positions to support the implementation of Chapter 317, Statutes of 2023 (Assembly Bill 50) to make improvements to the customer energization process.
- Approves \$328,000 (\$200,000 onetime and \$128,000 ongoing) from the Public Utilities Commission Transportation Reimbursement Account (Fund 0461) to implement Chapter 411, Statutes of 2023 (Senate Bill 757).
- Reauthorizes \$2,800,000 from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for an active legal services contract to provide advice and representation on corporate and utility restructuring, finance, securitization, and bankruptcy matters.
- Adopts \$110,000 one-time from the Public Utilities Commission Utilities Reimbursement Account (Fund 0462) for contract(s) to support the Department of Transportation's (Caltrans) evaluation of major expansion of use of the Caltrans rights-of-way (ROW) for energy, energy storage, and transmission and distribution projects, as per Chapter 379, Statutes of 2023 (Senate Bill 49).
- Approves \$9,383,000 annually for the next three years to continue to fund forty-six (46.0) previously established positions and \$546,000 for four (4.0) positions from the Public Utilities Commission Utilities Reimbursement Account (PUCURA, Fund 0462) to continue implementing Chapter 112, Statutes of 2021 (Senate Bill (SB) 156).

- Approves \$280,000 in ongoing budget authority for two (2.0) Associate Governmental Program Analyst (AGPA) positions from various special funds (Distributed Administration) to provide Intervenor Compensation program claims support in the Administrative Law Judge (ALJ) Division.

**Go-Biz- IBank**

- Cuts \$225 million from the IBank Clean Energy Transmission program that would have loaned money to build a transmission line to the Salton Sea geothermal area, thereby eliminating the program.

**Department of Water Resources**

- Cuts \$95 million for the Strategic Reliability Reserve.
- Delays the Oroville Pumped Hydro Project and fund shifts to GGRF.
- Cuts \$400 million loan for Diablo Canyon.
- Delays \$32 million for Central Procurement to \$16 million in 2026 and \$16 million in 2027.

**Various**

- Retains \$40 million in 2024 for the Diablo Canyon land conservation and economic development for Wild Cherry Canyon and delays and fund shifts the outstanding \$110 million to GGRF.
- Cuts \$16 million of unspent funds from Energy Arrearages at the Department of Community Services and Development.



## TRANSPORTATION

### High-Speed Rail Authority

- Allows \$6 million from the High-Speed Rail Property Fund (9331) for the reinvestment of excess property sale revenue to offset the future Authority costs needed for right of way acquisitions in the Central Valley Segment.
- Allows \$13.5 million (\$13.3 million Greenhouse Gas Reduction Funds and \$279,000 Proposition 1A Bond Funds) and 67.0 positions to shift consultant resources to state staff in Fiscal Year 2024-25 and ongoing.
- Adopts trailer bill language to adjust the administrative cap of Proposition 1A (Prop 1A) from 2.5 percent (\$225 million) to 5.0 percent (\$450 million) of the \$9 billion appropriation as specified in the language of Prop 1A through Streets and Highway Code section 2704.08(h).

### Office of Inspector General, High-Speed Rail

- Approves 10 positions and \$2,039,000 ongoing.
- Adopts trailer bill language to provide technical clean up to enabling statute.

### Department of Transportation

- Cuts \$100 million from Highways to Boulevards, and shifts \$50 million to GGRF.
- Shifts \$600 million from the Active Transportation Program of the \$1.05 billion total from General Fund to State Highway Account and adopts placeholder trailer bill language to increase reporting and cost effectiveness.
- Approves 38 positions and \$4,761,000 from the State Highway Account (SHA) ongoing for administration support to adequately address increased workload requirements commensurate with departmental program growth and expanded Program requirements, responsibilities, and functions.
- Approves 12 positions in FY 2024-25 totaling \$6,628,000, an additional 16 positions in FY 2025-26 for a total of 28 positions and \$8,518,000 ongoing, to address the requirements contained in the new National Bridge Inspection Standards (NBIS) and the concurrent release of the new Specifications for the National Bridge Inventory (SNBI)

enacted by the Federal Highway Administration (FHWA) in June 2022, as well as address the increased workload required to deliver the federally mandated safety inspections of highway bridges, tunnels, and overhead signs.

- Authorizes \$3,065,000 in State Highway Account Reimbursement authority for services rendered on behalf of the California High Speed Rail Authority.
- Authorizes continued funding for Prop 1B support for 11 positions totaling \$1,687,000 (\$1,584,000 in personal services; and \$103,000 in operating expenses) for fiscal years 2024-25 and 2025-26.
- Approves \$1,042,000 in State Highway Account (SHA) funds to continue six (6) two-year limited term positions to implement a road charge revenue collection pilot per the requirements of Senate Bill 339 (2021).
- Approves 29 positions and \$8,142,000 in FY 2024-25, an additional 21 positions in FY 2025-26, for a total of 50 positions and \$8,157,000 ongoing beginning in FY 2026-27 from the State Highway Account (SHA), to meet the culvert inspection requirements outlined in the federal Infrastructure Investment and Jobs Act (IIJA) enacted in 2021.
- Approves a transition from distributed programs to centralized programs and consolidate funding to the State Highway Account (SHA).
- Approves \$7,747,000 in fiscal year (FY) 2024-25 from the State Highway Account. The request includes consulting services, equipment, and software for year 1 of the Enterprise Data Governance Technology Solution implementation.
- Allows \$12,873,000 in FY 2024-25 and \$10,195,000 in FY 2025-26 and ongoing to continue expansion of data storage, protect and maintain equipment and complete network infrastructure upgrades to enable efficient access to very large data sets at designated locations throughout the state.
- Adopts (10) permanent positions and \$2,095,000 from the State Highway Account (SHA) for Equal Employment Opportunity Program (EEOP) support and to implement equity related actions, trainings, and departmental policies.
- Provides a one-year augmentation of \$13,500,000, which includes \$4,971,000 for 34 limited-term positions in FY 2024-25 and \$8,529,000 in operating expenses (OE), of which \$8,217,000 is for professional consulting services, to support the transition and onboarding to the FI\$Cal System (System).

- Approves \$279,050,000 and 50 positions annually for 2 years from the State Highway Account (SHA) to continue replacing its aging fleet and installing zero emission vehicle (ZEV) infrastructure to meet state mandates and regulations with reporting language.
- Adopts eight positions and resources totaling \$4,204,000 in Fiscal Year (FY) 2024–25 (including a one-time system development cost of \$1,982,000 and a system operations and maintenance cost of \$737,000) from the State Highway Account for Transportation System Network Replacement (TSNR).
- Approves four-year, limited-term resources for 18 positions and \$4,378,000 annually from the State Highway Account for wildfire legal defense.
- Approves \$474,000 ongoing for two (2) positions and consultant services for coordinated efforts to recognize historical and cultural importance of California tribes along State Route 210, as stipulated by Chapter 543, Statutes of 2023 (AB 776). Caltrans will work with the Native American Heritage Commission, the California Advisory Committee on Geographic Names, the Counties of Los Angeles and San Bernardino, and California tribes local to, or historically located along, State Route 210.
- Authorizes \$1,287,000 ongoing for seven (7) positions to complete the program evaluation for renewable energy created by Chapter 379, Statutes of 2023 (SB 49). This bill requires Caltrans to complete the evaluation in partnership with the California Energy Commission and Public Utilities Commission.
- Adopts a three-year increase of \$66,055,000 in 2024-25, \$72,119,000 in 2025-26, and 72,508,000 in 2026-27 in Operating Expenses from the Public Transportation Account for the operation of the Intercity Passenger Rail Program.
- Approves \$211,000 ongoing for one (1) position to act as the Chief Advisor on Bicycling and Active Transportation that shall serve as the department's primary advisor on all issues related to bicycle transportation, safety, and infrastructure, as required by Chapter 617, Statutes of 2023 (SB 538).
- Approves \$442,000 and two (2) positions ongoing from the State Highway Account (SHA) to provide State Highway System project data and information on Caltrans' public website, as required by Chapter 629, Statutes of 2023 (SB 695).
- Approve \$6.9 million and 37 positions for the Integrated Mobility Program on a three-year limited-term basis.

**California State Transportation Agency**

- Approves \$452,000 (\$444,300 in Federal Fund and \$7,700 in various State Funds) and three permanent positions for 24-25 and ongoing to support federal workload increase.
- Rejects \$148 million cut from the Competitive Transit and Intercity Capital Rail Program, but approves delays and fund shifts.
- Cuts \$350 million from the Safety Grade Separations program, which eliminates the program.
- Delays \$680 million for the Zero Emission Transit Capital Program.
- Approves delays and fund shifts to the Formula Transit and Intercity Capital Rail Program and delays an additional \$500 million in General Fund.
- Adopts language to prioritize already approved projects where funding was cut, for approval in eligible ongoing transportation funding programs.

**Department of Transportation**

- Approves \$17.3 million Motor Vehicle Account in FY 2024/25 and ongoing for CDT rate increases for services pertaining to technology project oversight, planning, procurement, and data center.
- Adopts \$4.5 million from the General Fund (GF) in FY 2024/25, for one-time costs of \$4.3 million, and an ongoing amount of \$198K for one permanent position and legal workload related to AB 796. The AB 796 – California New Motor Voter Program Project will allow the DMV to modify and improve current business process flows of various customer service channels that impact multiple DMV systems, applications, and services such as: kiosks, remittance processing equipment, online customer DL/ID card applications, identity, and document management.
- Allows \$2.4 Million from the Motor Vehicle Account in FY 24/25, for eleven temporary (11) IT positions to support the planning, development, and implementation activities for updates to the CDLIS program.
- Allows 90 temporary positions and \$60.3 million Motor Vehicle Account in FY 2024-25 to complete the VR phase and continue the DL phase of the DXP Project.

- Reverts existing design-build authority of \$41,654,000 Public Buildings Construction Fund and approves trailer bill language to shift the San Francisco Field Office Replacement from a capital outlay project to a build-to-suit lease project.
- Adopts \$7.4 million FY 24/25, \$7.3 million in FY 25/26, and \$4.9 million in FY 26/27 and ongoing for five (5) new permanent positions, Information Technology (IT) security consulting services, and IT security tools to improve the Cybersecurity Program.
- Authorizes \$2.3 million for contracted project costs and \$995,000 for five (5) temporary IT positions in FY 2024/25 in Motor Vehicle Account funds to continue the implementation and ongoing support for the ECM System.
- Allows \$7.5 million from the Motor Vehicle Account (MVA) in FY 2024/25 and \$5.5 million in FY 25/26 and ongoing to continue supporting the REAL ID Document Verification (RADV) and ABBYY processes leading up to and beyond the REAL ID enforcement date of May 7, 2025.

### **California Transportation Commission**

- Approves a permanent Attorney IV position to provide legal services, including but not limited to the Commission's role as a Responsible Agency pursuant to the California Environmental Quality Act. In the 2023-24 Budget Act, the Commission received \$200,000 for a contract for legal services and will redirect these funds to support the Attorney IV position, resulting in no net change to the Commission's budget authority from this request. The Commission also request a \$539,000 increase in reimbursement authority to support three positions performing workload related to climate resiliency, the Local Transportation Climate Adaption Program (LTCAP), and the Transit and Intercity Rail Program (TIRCP).
- Adopts \$190,000 (\$89,000 State Highway Account, \$101,000 Public Transportation Account) for one limited-term Staff Services Manager II to implement the provisions of Assembly Bill 744 (Carrillo, Chapter 541, Statutes of 2023).
- Approves \$734,000 (\$345,000 State Highway Account, \$ 389,000 Public Transportation Account) for one limited-term Supervising Transportation Planner and a one-time consultant contract to implement the provisions of Assembly Bill 251 (Ward Chapter 320, Statutes of 2023).

**Board of Pilot Commissioners**

- Approves \$139,000 in Fiscal Year (FY) 2024-25, and \$288,000 in FY 2025-26 from the Board of Pilot Commissioners' Special Fund to complete evaluation and planning efforts for business modernization to support program operation.

**California Highway Patrol**

- Replaces the existing authority of \$3,231,000 with a new appropriation of \$4,877,000 from the Motor Vehicle Account for the construction phase of the continuing Keller Peak: Tower Replacement Project.
- Approves \$4 million from the Motor Vehicle Account for retention of outside conflict counsel to represent the CHP and its officers in civil litigation cases arising from officer-involved shootings when the Attorney General cannot represent those officers due to a conflict of interest.
- Converts 34 positions, without funding, to support CHP's administrative functions.

**Department of Motor Vehicles**

- Cuts \$30.6 million from the California Commercial Drive Test Centers.
- Approves \$17.3 million Motor Vehicle Account in FY 2024/25 and ongoing for CDT rate increases for services pertaining to technology project oversight, planning, procurement, and data center.
- Adopts \$4.5 million from the General Fund (GF) in FY 2024/25, for one-time costs of \$4.3 million, and an ongoing amount of \$198K for one permanent position and legal workload related to AB 796. The AB 796 – California New Motor Voter Program Project will allow the DMV to modify and improve current business process flows of various customer service channels that impact multiple DMV systems, applications, and services such as: kiosks, remittance processing equipment, online customer DL/ID card applications, identity, and document management.
- Approves \$2.4 Million from the Motor Vehicle Account in FY 24/25, for eleven temporary (11) IT positions to support the planning, development, and implementation activities for updates to the CDLIS program. CDLIS is a national commercial driver program that will both send data to and receive information through the American Association of Motor

Vehicle Administrators (AAMVA) to share information amongst states with the goal of increasing public safety on roads.

- Allows \$7.4 million FY 24/25, \$7.3 million in FY 25/26, and \$4.9 million in FY 26/27 and ongoing for five (5) new permanent positions, Information Technology (IT) security consulting services, and IT security tools to improve the Cybersecurity Program.
- Adopts 90 temporary positions and \$60.3 million Motor Vehicle Account in FY 2024-25 to complete the VR phase and continue the DL phase of the DXP Project. The requested resources will allow the DMV to continue the modernization of business processes and services.
- Approves \$2,458,000 General Fund with \$2,458,000 from the Public Buildings Construction Fund for the performance criteria phase of the El Centro Field Office Replacement project, which also includes consolidation of the Brawley office and addition of a Commercial Drive Test Center.
- Approves \$2.3 million for contracted project costs and \$995,000 for five (5) temporary IT positions in FY 2024/25 in Motor Vehicle Account funds to continue the implementation and ongoing support for the ECM System.
- Replaces existing authority of \$14,254,000 General Fund with \$15,480,000 Public Buildings Construction Fund for the construction phase of the Oxnard Field Office Reconfiguration Project.
- Adopts \$7.5 million from the Motor Vehicle Account (MVA) in FY 2024/25 and \$5.5 million in FY 25/26 and ongoing to continue supporting the REAL ID Document Verification (RADV) and ABBYY processes leading up to and beyond the REAL ID enforcement date of May 7, 2025.
- Reverts existing design-build authority of \$41,654,000 Public Buildings Construction Fund and adopts trailer bill language to shift the San Francisco Field Office Replacement from a capital outlay project to a build-to-suit lease project.

## EARLY ACTION

The following solutions were adopted as part early action in AB 106:

### California State Transportation Agency

- Delays \$1 billion from the Formula Transit and Intercity Rail Capital Program from 2024-25 to 2025-26.
- Delays \$100 million from the Ports and Freight Infrastructure Program of the \$1.2 billion total.
- Reduces \$96 million for the Port of Oakland of the \$250 million total.

### Department of Motor Vehicles

- Approves two fund shifts of \$16.8 million total from General Fund to Lease Revenue Bonds for the Oxnard Field Office and the El Centro Field Office.

### California Highway Patrol

- Shifts \$13.1 million from General Fund to bonds for six area offices.

### Department of Water Resources

- Provides \$13.5 million including \$12.845 million in local assistance and \$677,000 in State Operations to address critical levee repairs to protect DWR-owned lands and infrastructure in the Sacramento and San Joaquin Delta.
- Provides \$3 million to DWR for the State's cost share of United States Army Corps of Engineers sites for Land, Easements, Rights-Of-Way, Relocations, and Disposal Areas (LERRDS) construction payments.
- Delays \$55 million from the Strategic Reliability Reserve from 2024-25 to 2025-26 of the \$2.3 billion total.
- Delays \$90 million for the Oroville Pump Storage project of the total \$200 million.
- Reduces Forecast Informed Reservoir Operations funding by \$6.8 million ongoing of the total \$17 million ongoing.



**State Water Resources Control Board**

- Loans \$200.6 million from the Underground Storage Tank Cleanup fund to the General Fund.

**Department of Water Resources / Wildlife Conservation Board**

- Reduces Watershed Climate Resilience funding by \$206.5 million of \$494.5 million total.

**Various Departments**

- Delays \$110 million of planned 2024-25 costs for Diablo Canyon land conservation and economic development efforts—less than the administration’s proposed \$150 million delay.

**Department of Pesticide Regulation**

- Reduces Pest Notification funding by \$2.6 million of \$10 million total.

**CalRecycle**

- Provides \$200,000 General Fund needed to close out cleanup of the McKinney Fire.
- Reduces Compost Permitting Pilot Program funding by \$6.7 million of \$8 million total.

**California Air Resources Board**

- Reduces Drayage Trucks & Infrastructure Pilot Project by \$14.2 million of \$40 million total.

**Department of Fish and Wildlife**

- Provides \$13.1 million to repair infrastructure at the 11,800-acre Mendota Wildlife Area in Fresno County.

**California Energy Commission**

- Reduces Drayage Trucks & Infrastructure Pilot Project by \$9.3 million of \$25 million total.
- Reduces Zero Emission Vehicle (ZEV) Manufacturing Grants by \$7.3 million of \$250 million total.
- Reduces Emerging Opportunities funding by \$7.3 million of \$100 million total.

- Cuts the Climate Innovation Program by \$100 million of the \$477 million total.
- Reduces the Food Production Investment Program by \$18.8 million of the \$65 million total.
- Reduces the Industrial Decarbonization Program by \$22 million of the \$90 million total.
- Reduces the Hydrogen Grants Program by \$35 million of the \$100 million total.
- Reduces California Electric Homes program by \$6.4 million of \$75 million total.
- Delays \$50 million from the Distributed Electricity Backup Assets Program.
- Delays \$100 million from the Clean Energy Reliability Investment Plan.

#### **Wildlife Conservation Board**

- Reduces funding for Resources Conservation Strategies by \$5 million.

#### **CalFire**

- Reduces funding for the Forest Legacy Program by \$3.6 million.
- Reduces funding from the Interagency Forest Data Hub by \$2.9 million.

#### **Department of Conservation**

- Reduces the Biomass to Hydrogen Pilot program funding by \$45.5 million.

#### **Department of Food and Agriculture**

- Provides \$22.7 million General Fund in 2023-24 to repair the damage to the California Animal Health and Food Safety South Valley Laboratory caused by severe flooding in Tulare County in March 2023. This includes an extended encumbrance and expenditure deadline of June 30, 2026.
- Provides \$22.1 million General Fund in 2023-24 to respond to numerous unanticipated emergencies related to infestations of exotic fruit flies. Due to the unprecedented numbers of exotic fruit fly activities statewide, additional resources are required to offset the personnel and operational costs associated with the required regulatory responses associated with each of the exotic fruit fly infestations

- Reduces On-Farm Water Use and Agricultural Technical Assistance funding by \$6 million of the \$15 million total.

**California Public Utilities Commission**

- Cuts \$20 million from the Capacity Building Grant Program of the \$30 million total.
- Delays \$100 million from Broadband Last Mile Infrastructure Grants from 2024-25 to 2026-27.
- Cuts \$150 million from Broadband Loan Loss Reserve in 2024-25, of the \$750 million total.

**Office of Planning and Research**

- Reduces funding for Regional Climate Collaboratives by \$9.8 million.
- Reduces Climate Adaptation and Resilience Planning Grants by \$5 million of the \$25 million total.

**Department of Industrial Relations**

- Shifts \$15.6 million General to the Labor and Workforce Development Fund for the Enhanced Protections for Vulnerable Populations (Extreme Heat Package).

# **Subcommittee No. 5 on State Administration**

**Assemblymember Quirk-Silva, Chair**

## GENERAL GOVERNMENT

### Department of Housing and Community Development

#### Housing

- Restores over \$1 billion in key housing funding programs:
  - \$500 million for the Low Income Housing Tax Credit program for 2025.
  - \$325 million for Multifamily Housing program.
  - \$250 million for the Regional Early Action Program (REAP) 2.0.
  - \$13.7 ongoing for the Housing Navigation and Maintenance Program.
- Adopts over \$1 billion in cuts to the following housing programs:
  - \$127.5 million from the Adaptive Reuse Program from 2022 and 2023.
  - \$235 million from the Infill Infrastructure Grant Program.
  - \$76.3 million from the Veterans Housing and Homeless Program.
  - \$484 million from the Foreclosure Intervention Housing Preservation Program (of which \$85 million was approved in Early Action).
  - \$152.5 million from the CalHome Program.
  - \$50 million from the REAP 2.0. Program.
- Includes 17 positions in 2024-25, and ongoing, 11 positions in 2025-26 and ongoing, and 1 permanent position in 2027-28, and ongoing, funded by the 2024 Behavioral Health Infrastructure Bond Fund, to provide resources to the Department of Housing and Community Development to implement and administer Chapter 789, Statutes of 2023 (AB 531), the Behavioral Health Bond Infrastructure Act. This proposal includes placeholder trailer bill language for administrative cap for the Behavioral Health Infrastructure Bond Act.
- Adopts reductions to the Surplus Lands Act Unit by \$2.4 million ongoing. The 2022-23 budget authorized 12 positions to establish the California Surplus Land Unit to facilitate agreements between local agencies and developers on surplus properties, collect and compile data on housing production on local surplus land pursuant to SB 791 (Chapter 366, Statutes of 2021). This proposal would eliminate the resources for SB 791.
- Provides federal financial Assistance for position authority for 10 positions in 2024-25 and ongoing to administer U.S. Department of Housing and Urban Development (HUD)-funded programs.

- Authorizes four staff positions in 2024-25 and ongoing, paid out of the Building Homes and Jobs Trust Fund, to monitor the Permanent Local Housing Allocation (PLHA) Program.
- Approves 2 positions ongoing to resources to the Department of Housing and Community Development to implement and award Community Development Block Grant–Disaster Recovery funds in Plumas County and includes provisional language to provide an extended encumbrance period through January 16, 2030, for these funds and to allow transfers to state operations.
- Includes 2 positions ongoing in the amount of \$4 million in 2024-25 to allow the Department of Housing and Community Development to administer federal HOME Investment Partnerships Program–American Rescue Plan funding and adopts provisional language to provide an extended encumbrance period through September 30, 2030 and to allow transfers to state operations.
- Extends the encumbrance period from June 30, 2024 to June 30, 2026, to align encumbrance dates with statute for the Regional Early Action Planning Grants 2.0 reappropriation.
- Approves adjustments to implement 9 recently chaptered legislation and additional workload resources as follows:
  - Affordable Housing Finance Workgroup: Chapter 743, Statutes of 2023 (AB 519) – includes \$1,548,000 in 2024-25 and 2025-26, and \$774,000 in 2026-27.
  - Veterans Housing: Tenant Referrals: Chapter 760, Statutes of 2023 (AB 1386) – Includes 1 position in 2024-25 and ongoing.
  - Statewide Housing Plan: Chapter 765, Statutes of 2023 (AB 1508) – provides \$212,000 and 1 position in 2024-25 and ongoing.
  - State Affordable Housing Act: Chapter 402, Statutes of 2023 (SB 555) – Provides \$712,000 ongoing in 2024-25 and 2025-26, and \$227,000 in 2026-27 and ongoing.
  - Housing Accountability Act Expansion: Chapter 768, Statutes of 2023 (AB 1633) – Includes \$474,000 and 2 positions in 2024-25 and ongoing.
  - Affordable Housing Development Projects: Chapter 764, Statutes of 2023 (AB 1490) – Provides \$195,000 and 1 position in 2024-25 and ongoing.

- Drought Resistant Building Act: Chapter 884, Statutes of 2023 (SB 745)—Includes \$579,000 and 1 position ongoing in 2024-25 and \$179,000 in 2025-26 and ongoing.
- Housing Element: Notice of Violation: Chapter 740, Statutes of 2023 (AB 434) – Provides \$1,089,000 and 5 positions in 2024-25 and ongoing.
- Workload Resources—Administrative Support for Chaptered Legislation – Includes \$1,146,000 and 8 positions in 2024-25 and ongoing.
- Adaptive Reuse Projects: Chapter 743, Statutes of 2023 (AB 529) - Includes \$422,000 and 2 positions in 2024-25 and ongoing.

## **Department of Housing and Community Development / Business, Consumer Services and Housing Agency**

### **Homelessness**

- Provides \$1 billion for Round 6 of the Homeless Housing, Assistance and Prevention (HHAP) program focusing on accountability through the proposed Housing and Homelessness Accountability and Results Partnership Unit (HHARP), an expansion of the existing Housing Accountability Unit.
- Adopts placeholder trailer bill language for the HHAP programs to do the following:
  - Further strengthen accountability mechanisms
  - Direct some funding to prevention
  - Make technical conforming changes to Rounds 3-5
  - Clarify eligible uses of HHAP funds
- Approves the January budget proposal and May Revision modification to transfer the HHAP program from Cal-ICH to HCD as follows:
  - Adds 13 additional position in addition to the 4.0 positions from January for a total of 17.0 positions in 2024-25 and ongoing to integrate and administer the California Interagency Council on Homelessness (Cal ICH) Homeless Housing, Assistance and Prevention (HHAP) and all other Cal ICH grant programs, as outlined in Chapter 40, Statutes of 2023 (Assembly Bill 129).
  - Transfers 22.0 existing positions from Cal-ICH that currently support grant operations to HCD to administer these programs.

- Builds out the Governor's proposed Housing and Homelessness Accountability and Results Partnership Unit (HHARP), an expansion of the existing Housing Accountability Unit.

## **Business, Consumer Services and Housing Agency**

### **Homelessness**

- Adopts the following reversions from homelessness programs:
  - \$260 million in HHAP Round 5 Supplemental Funding
  - \$100 million in unallocated encampment resolution grants
  - \$100.7 million in administrative set-asides for the Family Homelessness Challenge Grants Program the HHAP program.
  - \$48.4 million in administrative set-asides for HHAP and the Encampment Resolution Fund.
- Provides \$14,835,000 in 2024-25, \$9,545,000 in 2025-26, and \$7,795,000 in 2026-27 and ongoing to fund 19 existing permanent staff and contracts necessary to support the California Interagency Council on Homelessness' existing statutory obligations. It is also requested that 19 positions be eliminated from Item 0515-002-0001 resulting in a net zero position shift to Item 0515-001-0001.

### **California Tax Credit Allocation Committee**

- Adopt May Revision proposal to include \$500 million in supplemental Low Income Housing Tax Credit as discussed in the Department of Housing and Community Development section above.

### **California Housing Finance Agency**

- Adopts placeholder trailer bill language to directing CalHFA to assess outcomes from the first two rounds of the California Dream for All program and provide options for the next phase as follows:
  - Assess outcomes and lessons learned from the first two rounds of the Dream for All program;
  - Report any recommendations for further improvements to the existing program;
  - Provide options for the next phase of the program, including but not limited to, alternate funding options, and an option to expand the program to enable participation by entities such as local governments, public institutions of higher education, non-profits, school districts, community foundations, and large private employers; and



- Provide an initial progress report to the Legislature by October 31, 2024 and a final report by January 31, 2025.

### **California Department of Tax and Fee Administration**

- Adopts placeholder trailer bill language to eliminate the sales and use tax deduction and refund for a lender or retailer's affiliate for sales and use tax previously paid by a retailer on accounts found worthless and charged off for income tax purposes (subsequently referred to as bad debt) beginning on January 1, 2025. Retailers would remain eligible to claim such deductions or refunds.
- Approves a Budget Act appropriation from the Tire Fund in the amount of \$2,541,000 in 2024-25, \$2,511,000 in 2025-26, and ongoing. Additionally approves a corresponding reduction in reimbursement authority of \$2,541,000 in 2024-25, \$2,511,000 in 2025-26, and ongoing to offset the Budget Act appropriation from the Tire Fund. Adopts trailer bill language to seek a direct budget appropriation and deletes language related to the reimbursement process.
- Adopts placeholder trailer bill language to make changes to SB 96 (Chapter 595, Statutes of 2023), Historic Venue Restoration and Resiliency Act so that CDTFA can implement the provisions of the bill.
- Adopts placeholder trailer bill language to include language to allow CDTFA to be reimbursed for its administrative costs till 1/1/36, and to issue refunds to feepayers who overpaid consistent with changes included in AB 1115 (2023), Underground Storage Tank Fee Savings Clause.
- Adopts placeholder trailer bill language that makes the Administrative Procedure Act inapplicable to a legal ruling of counsel by CDTFA.
- Provides \$1,200,000 ongoing to allow the California Department of Tax and Fee Administration to administer the firearms and ammunition excise tax imposed by Chapter 231, Statutes of 2023 (AB 28).
- Adopts May Revision proposal to revert \$20 million from California Department of Tax and Fee Administration's 2023 Budget Act appropriation and reflects anticipated personal services savings.
- Approves a total of 1,155,000 ongoing to reflect revised employee compensation costs.

**Franchise Tax Board**

- Adopts placeholder trailer bill language to suspend the Net Operating Losses (NOL) and tax credit for tax years 2024, 2025 and 2026. The legislative proposal does not include language triggering the suspension removal, instead leaving that decision to future budget discussions and legislative approval.
- Adopts placeholder trailer bill language to eliminate oil and gas direct tax subsidies as follows:
  - Eliminate accelerated Intangible Drilling Costs (IDC) expensing for oil and gas wells.
  - Eliminate percentage depletion for oil, gas, coal, and oil shale. Percentage depletion would remain for other minerals, such as sand, gravel, gold, and lithium.
  - Eliminate the Enhanced Oil Recovery (EOR) cost credit. The administration does not assume any fiscal effect associated with this proposal over the next few years since crude oil prices are expected to remain above the price threshold used to determine when businesses can claim the credit.
- Adopts placeholder trailer bill language to conform California law to the 2023 federal changes in the Consolidated Appropriations Act (CAA), limiting deductions for charitable conservation easements to two and a half times the investment cost for the purchaser, and disallowing the deduction for any taxpayer who has previously engaged in fraud.
- Adopts placeholder trailer bill language to clarify existing law that when a corporation receives income that is excluded from taxable business income, then it must exclude this income from its apportionment factor formula.
- Adopts placeholder trailer bill language to extend provisions for businesses to deduct their ordinary and necessary business expenses related to licensed commercial cannabis activities from January 1, 2025, to January 1, 2030.
- Adopts placeholder trailer bill language to amend current law to specify that any unexpended or unclaimed funds from the Middle Class Refund Tax will be returned to FTB to be deposited in the General Fund instead of those funds going back to “the state”.
- Adopts placeholder trailer bill language to repeal the provisions related to transfers to the Delinquent Tax Collection on June 30, 2024, and terminates the Fund.

- Adopts placeholder trailer bill language to repeal the expiration date for electronic notifications to taxpayers.
- Adopts placeholder trailer bill language for California Disaster Tax Relief to allow the Director of Finance to determine whether a taxpayer is affected by a state of emergency, when determining whether the postponement of certain tax-related deadlines applies to a taxpayer.
- Adopts placeholder trailer bill language that would align the maximum earned income thresholds for the California Earned Income Tax Credit (CalEITC), the Young Child Tax Credit (YCTC), and the Foster Youth Tax Credit (FYTC). This technical fix would ensure the YCTC and FYTC maximum earned income thresholds are adjusted to that of the CalEITC.
- Provides an additional \$2 million ongoing for outreach for the Earned Income Tax Credit.
- Provides \$700,000 in 2024-25, \$1.7 million in 2025-26, and \$2.1 million in 2026-27 to FTB to continue to integrate Direct File with CalFile.
- Provides an augmentation of \$127,066,000 and 28 permanent positions, and 10 limited-term positions for the fourth-year implementation of the Enterprise Data to Revenue (EDR2) project, which is the second phase of the Tax System Modernization (TSM) plan. Additionally, the May Revision extends the encumbrance period of funding allocated in the 2023 Budget Act for the Enterprise Data to Revenue 2 project.
- Extends the encumbrance period for funding needed to replace the high-speed printer systems and software that FTB uses to print FTB's notices, bills, and correspondence.
- California ALS Research Contribution Fund - It is requested that Item 7730-001-8139 be added in the amount of \$6,000 ongoing for the FBA to administer this voluntary contribution fund.
- Includes increased funding of \$1,888,000 ongoing to reflect revised employee compensation costs for the Franchise Tax Board (FTB).
- Includes increased funding of \$749,000 ongoing to reflect revised employee benefit costs for FTB.

### **Civil Rights Department**

- Rejects \$1.4 million in 2024-25 General Fund previously committed for the enhancement of the Civil Rights Department's (CRD's) enforcement, investigation, and conciliation capacities.

- Approves the elimination of \$883,000 General Fund previously committed to the CRD's Community Conflict Resolution and Conciliation efforts in 2024-25.
- Adopts proposal to shift General Fund expenditure to Special Fund for the administration of the Civil Rights Department.
- Provides \$1.188 million in 2024-25 to provide one-time resources for the Civil Rights Department's headquarters to be relocated from Elk Grove to the May Lee Office Complex in Sacramento.
- Approves adjustments to implement 2 recently chaptered legislation as follows:
  - Provides \$1,592,000 and 10 positions in 2024-25 and \$1,561,000 in 2025-26 and ongoing for Reproductive Loss Leave: Chapter 724, Statutes of 2023 (SB 848).
  - Provides \$135,000 and 1 position in 2024-25 and \$132,000 in 2025-26 and ongoing for Housing Voucher Discrimination: Credit History: Chapter 776, Statutes of 2023 (SB 267).

### **Governor's Office of Business and Economic Development**

- Protects the Small Business Technical Assistance Expansion Program by rejecting the May Revision proposal to decrease by \$13 million in 2024-25 and 2025-26.
- Delays a total of \$200 million from 2024-25 and 2025-26 for City of Fresno Infrastructure Plan Funding to 2026-27.
- Adopts the May Revision to remove \$60 million (\$50 million in 2024-25 and \$10 million reversion) in funding for the California Competes Grant Program.
- Provides \$25 million for the California Infrastructure and Economic Development (IBank) to recapitalize the Infrastructure State Revolving Fund (ISRF) Loan Program allowing IBank to continue to provide low-cost financing to support municipal infrastructure projects and reverts \$25 million to the General Fund.
- Maintains the Performing Arts Equitable Payroll Fund by rejecting the May Revision to revert \$12.5 million.
- Adopts the May Revision to revert \$5 million from the Small Agricultural Business Drought Relief Grant Program.

- Adopts \$40 million out of the \$50 million May Revision proposal to revert funding from the Local Government Sustainability Fund. Maintains \$10 million to be directed to Imperial County.
- Rejects without prejudice the May Revision proposal to move the California Arts Council within the GO-Biz.
- Adopts \$3.25 million ongoing to allow Go-Biz to receive additional federal grant funding for the State Expansion program, the Grant Administration Plan, and Building Resilience Program.
- Reverts \$2 million that was included in the 2021 Budget Act.

### **Department of Financial Protection and Innovation**

- Includes 2 positions and an increase in expenditure authority of \$456,000 (Financial Protection Fund) in 2024-25, and \$432,000 in 2025-26, for the review of continuing education requirements related to the Broker-Dealer and Investment Advisor Program.
- Includes expenditure authority of \$14 million (Financial Protection Fund) in 2024-25, and in 2025-26, to continue funding for 55.0 positions for the implementation of the California Consumer Financial Protection Law.
- Approves an increase in expenditure authority of \$11.75 million (Financial Protection Fund) in 2024-25, and 2025-26, to support 51.0 positions authorized to license, regulate, and examine debt collectors pursuant to SB 908 (Chapter 163, Statutes of 2020), the Debt Collection Licensing Act (DCLA).
- Includes resources to implement 2 recently chaptered bills as follows:
  - Provides \$1.6 million one-time in 2024-25 (Financial Protection Fund) and \$884,000 ongoing (Financial Protection Fund) to implement venture capital company reporting requirements, as required by Chapter 594 of 2023 (SB 54, Skinner). The proposal also includes trailer bill language that makes statutory changes to SB 54, such as changing the administering agency from the Civil Rights Department to DFPI and related enforcement changes.
  - Provides \$7.9 million in 2024-25 (increasing to \$11.4 million in 2026-27 and ongoing) from the Financial Protection Fund to regulate crypto assets, as required by Chapter 792 of 2023 (AB 39, Grayson).

- Provides \$1.1 million to support the DFPI's increased rent costs while ongoing rental rates are being developed by the Department of General Services. The Department of General Services is currently in the process of determining ongoing rental rates for the May Lee State Office Complex and DFPI will reevaluate its future resource needs when more information is available.

### **State Treasurer's Office**

- Approves \$135,000 (\$81,000 General Fund (GF) and \$54,000 Central Service Cost Recovery Fund (CSCRF)) in 2024-25 and annual increases ongoing per the terms of the new eight-year contract signed with the vendor of STO's Item Processing software service.
- Adopts placeholder budget bill language (BBL) consistent with the May Revision proposal to facilitate vendor associated procurements while the Department of General Services works on a long-term solution.
- Provides \$729,000 one-time to provide funding for information technology network equipment essential at the State Treasurer's renovated headquarters, the Jesse Unruh Building.

### **California ABLE Act Board**

- Adopts budget bill language to extend the repayment date of the General Fund loans made to the California Achieving a Better Life Experience (CalABLE) through June 30, 2032 and approves the waiver of interest fees, pursuant to Government Code Section 16314 for CalABLE.

### **CalSavers Retirement Savings Board**

- Approves a General Fund loan of \$2 million annually for 2024-25 through 2029-30 for a total of \$12 million, to provide resources for the Board and the CalSavers Retirement Savings Program to continue to operate, including funding existing staff, employer compliance enforcement services through the Franchise Tax Board, external consultants, and marketing, administrative, and overhead costs.

### **Commission on State Mandates**

- Provides \$2,230,000 one-time to reimburse cities and counties for the costs associated with Juveniles, Custodial Interrogation Mandate (section 625.6 of the Welfare and

Institutions Code), which requires youths, 17 years of age or younger, to consult with legal counsel prior to custodial interrogation and before the waiver of any Miranda rights.

- Makes technical adjustments to update the fiscal years referenced in the Administrative License Suspension Mandate and Pesticide Use Reports. These changes are necessary to ensure the reimbursement claims are paid for the correct fiscal year and the previously suspended programs are suspended for the upcoming fiscal year.

### **Fi\$Cal**

- Realigns maintenance and operational costs of the Fi\$Cal system to the department from the Department of General Services resulting in a net decrease of \$852,000 (\$537,000 General Fund (GF)).

### **California State Assembly, Senate, and Legislative Analyst**

- Adjusts the Legislature's budget from the January budget pursuant to Proposition 140 (1990), in line with the State Appropriations Limit Adjustment.

### **Local Government Financing**

- Provides \$73 million to reimburse local jurisdictions for Vehicle License Fee revenue shortfalls in Mono, Alpine, and San Mateo Counties.
- Does not include Trailer Bill Language to clarify the accounting for charter school enrollment in the calculation of local ERAF funding for school districts.

### **Payments of Federal Interest**

- Provides \$15 million one-time to provide a federal interest liability payment to the federal government in 2024-25.

### **Projected Surplus Temporary Holding Account**

- Adopts placeholder trailer bill language to create a new state account that will serve as a temporary holding account for projected surplus funds in some future years.

### **Rainy Day Fund and Budget Analysis, Oversight, and Transparency**

- Agrees generally with Senate, with details to be determined in a future constitutional amendment, to propose to voters an increase of the maximum size of the Budget Stabilization Account (Rainy Day Fund) from 10 percent to 20 percent of General Fund tax revenues and exclude certain reserve deposits from the State Appropriations Limit. In addition, the Assembly advances the idea of expanding the Legislative Analyst's Office as a part of this measure to increase independent analysis, oversight, and transparency concerning state reserves, state fiscal health, and the effectiveness of public spending.
- Authorizes Department of Finance to resume mission-based budget departmental reviews within existing resources.
- Authorizes Department of Finance to post one-page fact sheets for each posted administration trailer bill proposal and to consider feasibility of posting legislative budget committee trailer bill proposals on the administration website within existing resources.

### **Agricultural Labor Relations Board**

- Appropriates \$4,411,000 in 2024-25 and \$4,361,000 in 2025-26 and in 2026-27 from the Labor and Workforce Development Fund to conduct outreach and education activities to workers in rural and semi-rural areas on workplace rights, state services, and labor enforcement programs, and adopts placeholder budget bill language implementing the program.
- Includes \$89,000 in 2024-25 and ongoing to convert specific General Counsel and Attorney positions to higher level classifications and continue administration and supervision of attorneys in regional offices.

### **Board of State and Community Corrections**

- *Approved in Early Action:* Proposed a budgetary loan of \$100 million from the Board of State and Community Correction's (BSCC) Cannabis Tax Fund subaccount to the General Fund from currently unobligated resources. The repayment plan is proposed to be \$50 million in 2026-27 and the remaining \$50 million 2027-28.
- Allocates an additional \$75 million loan from the BSCC Cannabis Tax Fund Subaccount to the General Fund in 2024-25, to be repaid in 2025-26.



**California Arts Council**

- Reduces arts grant funding by \$5 million in 2024-25 and 2025-26 and restores full funding beginning 2026-27.
- Adopts placeholder trailer bill language to change the name of “Youth Poet Laureate” to “Teen Poet Laureate” and make conforming changes.

**California Department of Technology**

- Provides \$809,000 in 2024-25, \$374,000 in 2025-26, and \$393,000 in 2026-27 and ongoing from the General Fund to replace Data Center Intrusion Detection Systems (IDS) and Intrusion Prevention Systems (IPS) hardware that will be reaching its end of supportable life.
- Includes \$250,000 one-time in 2024-25 from the General Fund for consulting services to address compliance deficiencies with the Cal-Secure Roadmap and internal security program.
- The Governor’s January budget proposed \$250 million in 2024-25 and \$1.25 billion in 2025-26 from the General Fund to fund completion of the Middle Mile Broadband Initiative network. Adopts the May Revision proposal to eliminate the proposed funding and adopts placeholder provisional budget bill language.
- Provides \$588,000 one-time from the General Fund in 2024-25 for consulting services to provide an inventory of all high-risk automated decision systems utilized by state entities pursuant to Chapter 800, Statutes of 2023 (AB 302).
- Approves May Revision proposal eliminating provisional language authorizing the Department of Technology to augment up to \$10 million General Fund in support of statewide technology services.
- Provides \$147,000 in 2024-25 and 2025-26 from the General Fund for consulting services to perform outreach and education, research, and improve processing time associated with requesting a ca.gov domain, pursuant to AB 1637 (Irwin, Chapter 586, Statutes of 2023)
- Removes the use of Administration and Distributed Administration programs in 2024-25, and ongoing. This technical adjustment will allow CDT to reflect program funding while transitioning to the Financial Information System for California.

**California Department of Veterans Affairs**

- Allocates \$5,389,000 in 2024-25 and \$12,129,000 in 2025-26 and ongoing from the General Fund to cover 108 positions that will staff the new Skilled Nursing Facility at the Veterans Home of California - Yountville.
- Reduces funding by \$265,000 General Fund in 2024-25 and ongoing to reflect census milestone reductions at the Barstow Veterans Home and reflect demand in the area.
- Appropriates \$902,000 in 2024-25 and \$415,000 in 2025-26 and ongoing from the General Fund to fund the final year of implementation of the Electronic Health Record Project, which implemented a new long-term care electronic health record system in the Veterans Homes of California. Funding will additionally cover maintenance and operation costs.
- Reappropriates \$3,847,000 General Fund from the 2021 Budget Act, to cover contract costs for the Department's Electronic Health Records project. The reappropriation will allow CalVet to continue to cover the costs for the project until June 30, 2025.
- Provides \$265,000 in Federal Trust Fund authority in 2024-25 and ongoing to address increased workload within the California State Approving Agency for Veterans Education (CSAAVE). The CSAAVE approves or disapproves veterans' education and training programs, evaluates and monitors program performance, and prevents abuses.
- Provides \$96,000 ongoing from the General Fund to reflect revised employee compensation and staff benefits costs. Of the total amount, \$89,000 is for employee compensation costs and \$7,000 is for staff benefits.
- Appropriates \$5 million one-time General Fund for the Southern California Veterans Cemetery.

**California Privacy Protection Agency**

- Allocates \$177,000 in 2024-25 and ongoing from the General Fund to reflect cost-of-living adjustment and to support Graduate Legal Assistants at the Agency.
- Provides \$901,000 and 3 positions in fiscal year 2024-25, \$608,000 in 2025-26 and ongoing from the Data Brokers' Registry Fund to implement SB 362 (Becker, Chapter 709, Statutes of 2023) to continue hosting and maintaining the data broker registry and to develop the accessible deletion mechanism to allow consumers to request all data brokers registered with the Agency delete their personal information. Adopts placeholder budget bill language related to funding augmentation necessary to cover information technology project costs associated with implementation.

**Capital Outlay**

- *Approved in Early Action:* Loaned \$50 million from the State Project Infrastructure Fund to the General Fund.

**Citizens Redistricting Commission**

- Proposes provisional budget bill language to allow the Citizens Redistricting Commission's budget to be augmented to cover current year cost increases for services provided by the California Department of Technology and Department of General Services.

**Commission on Asian and Pacific Islander American Affairs**

- Appropriates \$374,000 in fiscal year 2024-25, and \$287,000 ongoing from the General Fund, to convert one temporary position to permanent and to support the Commission's operating expenses for a physical office space.
- Reappropriates \$1,250,000 General Fund from the 2021 Budget Act, to allow the Commission to continue to administer a higher education workgroup with the objective of improving student outcomes for underserved Asian and Pacific Islander American communities. This funding is available for encumbrance or expenditure until June 30, 2027.

**Department of Alcoholic Beverage Control**

- Provides \$2,278,000 in 2024-25 and \$1,345,000 in 2025-26 and ongoing from the Alcohol Beverage Control Fund and 3 positions to continue the Business Modernization and Responsible Beverage Service (BizMod / RBS) project and begin the eRecords project. BizMod / RBS manages training records for alcohol servers and provides online licensing services. The eRecords project aims to convert all paper licensing files into a digital format.

**Department of Cannabis Control**

- Includes \$8,171,000 in 2024-25, \$8,115,000 in 2025-26 and in 2026-27, and \$1,315,000 ongoing from the Cannabis Control Fund to support 5 positions in the Laboratory Services Division, 2 positions in the Legal Affairs Division, and to continue supporting anticipated legal services costs. Provides budget bill language to allow an increase in expenditure authority should the amount of litigation and administrative hearing costs increase to augment the Department's budget authority.
- Reverts \$16,470,000 in fiscal year 2023-24 for the Cannabis Local Jurisdiction Retail Access Grant program, which was included in the 2022 Budget Act and is available for expenditure until June 30, 2026.

- Proposes \$588,000 in 2024-25, and \$42,000 in 2025-26 and ongoing from the Cannabis Control Fund to purchase and maintain 14 undercover vehicles to perform critical surveillance and investigatory work performed by the department's sworn officers to strengthen enforcement efforts.
- Proposes \$297,000 and 2.0 positions in 2024-25, and \$281,000 in 2025-26 and ongoing from the Cannabis Control Fund to fulfil the requirements of Chapter 593, Statutes 2023 (SB 51). These positions will process local equity retail provisional applications, provide case management and technical assistance to support the transition of provisional licensees to annual licensure, and process renewals until licensees achieve annual licensure.
- Proposes of \$173,000 and 1.0 position in 2024-25, and \$165,000 in 2025-26 and ongoing from the Cannabis Control Fund to implement Chapter 491, Statutes of 2023 (SB 540). This position will monitor emerging scientific literature and develop recommendations that inform the content development of the brochure and regulatory reforms regarding the risks that cannabis use may cause to consumers.

### **Department of Consumer Affairs**

- Appropriates \$14,684,000 in 2024-25 and ongoing from various special funds for the continued support of BreEZe's maintenance and operations. Of this amount, \$5,649,000 ongoing will fund credit card processing fees. BreEZe is the online platform providing applicant tracking, licensing, renewal, enforcement, monitoring, cashiering, and data management requirements for 18 licensing programs within the Department.
- Provides \$3,024,000 one-time in 2024-25 from various special funds to continue implementation and support of Business Modernization Cohort 2 for the Structural Pest Control Board, the California Architects Board, the Landscape Architects Technical Committee, the Cemetery and Funeral Bureau, and the Bureau of Household Goods and Services. Business Modernization aims to put these licensing boards using outdated legacy IT systems through a structured modernization process to improve licensing and enforcement operations.
- Allocates \$347,000 in 2024-25 and ongoing from the Osteopathic Medical Board of California Contingent Fund to cover increase costs for Attorney General services.
- Provides \$1,265,000 in 2024-25 and \$1,225,000 in 2025-26 and ongoing from the Pharmacy Board Contingent Fund for 5 positions to address workload related to desk investigations, sterile compounding renewals, and growth in program operations.

- Allocates \$807,000 in 2024-25 and \$799,000 in 2025-26 from the Veterinary Medical Board Contingent Fund for 5 positions, including a Deputy Executive Officer, to assist managing Board operations and address increasing complaint workload.
- Proposes \$331,000 and 2 positions in 2024-25, and \$315,000 in 2025-26 and ongoing from the Osteopathic Medical Board's special fund to support the implementation of a Complaint Liaison Unit, as required by Chapter 294, Statutes of 2023 (SB 815). The unit will respond to complaints from the public concerning review and enforcement processes, conduct outreach, develop and prepare complaint review processes, handouts, and brochures, and maintain the enforcement section of the Board's website.
- Proposes an increase of \$1,509,000 and 9 positions in 2024-25, and \$1,437,000 in 2025-26 and ongoing from the Medical Board's special fund for the implementation of a Complaint Liaison Unit, as required by Chapter 294, Statutes of 2023 (SB 815). The unit will respond to communications from the public regarding the complaint review and enforcement process and interview the complainant, patient, or patient's representative before the closure of any complaint. The unit will also conduct and support public outreach activities to improve the public's understanding of related laws and policies.
- Provides a \$27 million loan from the High Polluter Repair or Removal Account to the Contingent Fund of the Medical Board of California to achieve fund solvency. Adopts budget bill language to allow the repayment of all or a portion of this loan if certain criteria are met.
- Proposes an increase of \$917,000 in 2024-25, and \$1,144,000 in 2025-26 and ongoing to reimburse the Department of Justice for increased maintenance and operation costs to support CURES and for increased personal services costs.
- Makes various adjustments to redistribute the Department of Consumer Affairs' existing baseline Pro Rata costs to boards and bureaus based on the changes to the Department's proposals at May Revision.
- Adopts placeholder trailer bill language related to Title IV Funding – Minimum Education Hours for Licensure Programs.

### **Department of General Services**

- Allocates \$4,207,000 in 2024-25 and ongoing from the Service Revolving Fund and 36 positions to manage, operate, and maintain the newly renovated Gregory Bateson building located in Sacramento.

- Allocates \$2.5 million Motor Vehicle Parking Facilities Money Account in 2024-25, \$2.6 million Motor Vehicle Parking Facilities Money Account in 2025-26 through 2029-30, and \$886,000 Motor Vehicle Parking Facilities Money Account in 2030-31, and ongoing, to support the Parking Administration Unit's operational costs, facility maintenance and repair expenses.
- Provides \$1,200,000 annually in 2024-25 through 2026-27 from the Service Revolving Fund to cover increased vehicle maintenance and repair expenses.
- Includes \$1,800,000 in 2024-25 and \$1,551,000 in 2025-26 and ongoing from various special funds and 140 positions to comply with state mandates to support Cal-Secure Phase 4 capabilities of disaster recovery and application development security.
- Appropriates \$4,000,000 in 2024-25 and 2025-26 from the Service Revolving Fund to support the increased cost and volume of printing and publishing.
- Includes \$665,000 in 2024-25 and ongoing from various special funds and 4 positions to support administrative and analytical duties related to sustainable energy legislation and Executive Orders.
- Decreases funding by \$11.7 million in fiscal year 2024-25, and \$11.6 million in 2025-26 General Fund for funding for electric vehicle service equipment infrastructure assessment and facility development appropriated in the 2023 Budget Act.
- Shifts funding source for the Capitol Annex project from cash to internal borrowing.
- Rejects reductions of \$7.1 million in 2024-25 and 2025-26 allocated for Capitol repairs.
- Proposes a decrease of \$1,239,000 General Fund and 4 positions, and an increase of \$1,239,000 Property Acquisition Law Money Account and 4 positions in 2024-25 and 2025-26. This adjustment temporarily shifts support of the Department of General Services' Asset Management Branch for workload related to the Mercury Cleaners remediation and other statutorily mandated activities.
- Proposes a decrease of \$1,567,000 General Fund and 7 positions, and an increase of \$1,567,000 Disability Access Account and 7 positions in 2024-25, and ongoing. This adjustment permanently shifts support for the California Commission on Disability Access from the General Fund to the Disability Access Fund.

- Rejects a reversion of \$2.5 million General Fund appropriated in 2023-24, and rejects a decrease of \$2.5 million General Fund in 2024-25 and 2025-26 provided in the 2023 Budget Act to implement net-zero greenhouse gas emissions in state agency operations pursuant to Chapter 368, Statutes of 2022 (SB 1203).
- Allocates \$254,000 Building Standards Administration Special Revolving Fund and 1 position in 2024-25, \$1,173,000 in 2025-26, and \$254,000 in 2026-27, and ongoing to allow the California Building Standards Commission to implement Chapter 884, Statutes of 2023 (SB 745) which requires the development of building standards related to potable water use reduction.
- Proposes a reduction of 9.0 positions, a reduction of \$2.1 million in reimbursement authority, and a funding augmentation of \$392,000 from the Service Revolving Fund for 2.0 existing positions that support FI\$Cal. This request is made in conjunction with a request from the Department of Financial Information System for California for a redirection of 5 of the 9 positions, which results in a reduction of \$537,000 in General Fund and a reduction of \$315,000 in Central Service Cost Recovery Fund. These shifts would enable DGS to realign positions and funding for procurement-related functionality in the Financial Information System for California.
- Rejects trailer bill shifting the Capitol Annex project from cash to lease revenue bond financing.
- Existing law requires the Department of General Services to contract for a statewide procurement and contracting disparity study, in order to guide outreach strategies, state government program development, and improvements to contracting policies. Statutes further mandates the Department to issue a report of the results of the study and implementation actions taken by January 1, 2025. Adopts placeholder trailer bill language extending the deadline to December 31, 2025.
- Adopts placeholder trailer bill language implementing the California Commission on Disability Access Permanent Fund Shift solution noted above.
- Adopt placeholder trailer bill language related to government efficiencies.
- Design-build refers to the specific approach that combines both the design and construction phases under a single contract with one entity. This approach contrasts with the traditional building process, where the project owner contracts with a designer to create the project plans and then separately with a builder to construct the project based on those plans. Adopts placeholder trailer bill language to eliminate the sunset date to allow current and future capital projects to continue using the design-build delivery method as appropriate.

**California Department of Insurance**

- Adopts placeholder trailer bill language related to streamlined review of pending insurance filings.

**California Department of Real Estate**

- Contingent on review and approval of the associated trailer bill, appropriates \$3,231,000 in 2024-25 and in 2025-26, and \$2,446,000 in 2026-27 and ongoing from the Real Estate Fund to address salary and benefits funding shortfalls, cover expenses for Attorney General services, external contracts, equipment, and facilities.
- Provides an increase of \$849,000 one-time from the Real Estate Fund to address an increase in rent costs associated with the Department of Real Estate's move to the May Lee State Office Complex. This is a one-time request as the Department of General Services is currently in the process of determining ongoing rental rates for the May Lee State Office Complex.
- Provides \$700,000 and 3.0 positions in fiscal year 2024-25, \$590,000 and 3.0 positions in 2025-26, and \$251,000 and 1.0 position in 2026- 27 and ongoing from the Real Estate Fund to implement provisions of 18 bills signed into law in 2023. This request will support workload associated with updating numerous publications and databases, promulgating regulations, and licensee and consumer education initiatives related to these statutory changes.
- Adopts placeholder trailer bill language to increase various licensing fees charged by the Department.

**Fair Political Practices Commission / Political Reform Act of 1974**

- Includes \$234,000 in 2024-25 and ongoing from the General Fund to fund 1 position to continue supporting the local agency ethics training.
- Provides \$1,000 ongoing to reflect revised employee benefit costs at the Franchise Tax Board for this program.
- Provides \$3,000 ongoing to reflect revised employee compensation costs at the Franchise Tax Board for this program.

**Government Operations Agency**

- Reverts \$500,000 of the \$2 million appropriated in the 2023 Budget Act for passthrough for leadership initiatives.



- Reverts \$2.6 million appropriated for the Agency to operate a language access pilot program.
- Authorizes a transfer of \$15 million from the Data and Innovation Services Revolving Fund (DIF) to the General Fund.
- Appropriates \$16 million, with \$2 million in reimbursements for the DIF and adopts placeholder provisional language related to the DIF.
- Adopts budget bill language related to legislative oversight of state funds used for Generative Artificial Intelligence procurement activities.
- *Approved in Early Action:* Reverts \$2.2 million back to the General Fund, originally appropriated in 2019 for census workload. As the 2020 census is largely complete, this unencumbered balance is deemed no longer needed.

### **Office of Planning and Research**

- Reject proposal and trailer bill to rebrand and reorganize the Office of Planning and Research and to establish a Governor's Office of Service and Community Engagement and recommend to pursue reorganization of the Department through the Little Hoover Commission, the policy process, or the budget process in 2025 so that the proposal may be vetted adequately.
- Provides \$2,312,000 in 2024-25 through 2026-27 from the General Fund and 9 positions to implement recent legislation related to CEQA judicial streamlining for certain infrastructure and environmental leadership development projects.
- *Approved in Early Action:* Reverted \$13 million from the Office of Community Partnerships and Strategic Communications.
- Approves an additional \$42 million reduction for the Office of Community Partnerships and Strategic Communications as proposed at May Revision and includes an additional \$15 million reduction in 2025-26.
- Decreases funding by \$5.5 million in 2024-25 and 2025-26, and \$4 million in 2026-27 and ongoing for the California Education Learning Lab.
- Reverts \$9.9 million for the Golden State Awards program included in the 2022 Budget Act.
- Reduces funding for the College Corps program by \$23 million, preserving \$50 million for the program each year in 2024-25 and 2025-26.

- Reduces funding for the Youth Corps program by \$28.1 million, preserving \$50 million ongoing for the program.
- Reduces funding for the Neighbor-to-Neighbor program by \$10 million in 2024-25 and \$10 million in 2025-26, eliminating the program.
- Reduces funding for the Youth Empowerment Commission by \$1.5 million General Fund beginning 2027-28.
- Provides \$977,000 General Fund and 6.0 positions ongoing to address increased administrative workload associated with the transition to civil service as approved in the 2023 Budget Act.
- Rejects \$3.7 million ongoing General Fund to establish a baseline budget for Information Technology infrastructure needs.
- Reappropriates up to \$130,000 from the 2023 Budget Act to develop wood feedstock pilot to allow staff to manage existing contracts in 2024-25.
- Allocates \$392,000 ongoing General Fund and two positions to address increased workload from Chapter 860, Statutes of 2023 (SB 69).
- Adopts placeholder trailer bill language to extend the deadlines for reporting requirements for the Racial Equity Commission.
- *Approved in Early Action:* Reverted \$8.8 million from the California Experience Corps (formerly known as the Foster Grandparent Program) back to the General Fund.

**Secretary of State**

- Includes \$16,774,000 one-time in 2024-25 from the General Fund to continue supporting the CARS project and replace the current CAL-ACCESS system for electronic reporting of campaign finance and lobbying activities.
- Provides \$11,292,000 one-time Federal Trust Fund authority in 2024-25 to cover maintenance and operations vendor, data analysis consultant, Election Management Systems support and verification, data lines, and off-premises cloud costs for the VoteCal statewide voter registration system.
- Provides \$15,009,000 one-time Federal Trust Fund authority in 2024-25 to continue implementation of the statewide mandates of the Help America Vote Act of 2002.

- Allocates \$4,019,000 one-time in 2024-25 from the Secretary of State Business Fees Fund to continue the Notary Automation Program Replacement Project. The project aims to modernize the platform used to store and maintain notary public commission data and process requests.
- Appropriates \$2,373,000 Federal Trust Fund in 2024-25 to accept and expend federal funding grant awards, and provides \$475,000 General Fund in 2025-26 to meet the 20 percent state match requirement. This request will enable the Secretary of State to continue implementation of the statewide mandates of the Help America Vote Act of 2002.
- Includes \$507,000 General Fund in 2024-25 and \$473,000 in 2025-26 and annually thereafter to implement the provisions of Chapter 642, Statutes of 2023 (AB 243), which expands the Safe at Home program eligibility to child abduction victims and their household members.
- Provides 2 positions and \$479,000 (\$305,000 Business Fees Fund and \$174,000 General Fund) in 2024-25 and \$337,000 (\$215,000 Business Fees Fund and \$122,000 General Fund) in 2025-26 and annually thereafter to implement the provisions of Chapter 692, Statutes of 2023 (AB 1539). The bill prohibits a person from voting in an election in California and in an election in another state held on the same date. This requires the SOS to research, analyze, and/or investigate voter participation history data between voters both within the State of California and any other state for which a credible allegation of double voting exists.
- Appropriates \$303,000 General Fund in 2024-25 and \$293,000 in 2025-26 and annually thereafter to implement the requirements of Chapter 696, Statutes of 2023 (SB 29). The bill authorizes the establishment and administration of an education program as an alternative to administrative proceedings. If a person meets the requirements to participate in and completes the program's requirement, this bill exempts the person from receiving administrative, civil, or criminal penalties for the applicable violation of the Political Reform Act of 1974, as specified.
- Allocates \$6.3 million and 16.0 permanent positions in 2024-25, \$3.5 million and 6.0 permanent positions in 2025-26, \$5.1 million and 17.0 permanent positions in 2026-27, and \$5 million in 2027-28 and annually thereafter from the Business Fees Fund to implement SB 696, which authorizes California notaries to perform "online notarizations" also referred to herein as "remote online notarizations" using audio and video communication technology whether or not a principal is located within California borders.

**State Controller**

- Provides \$9,538,000 (\$6,009,000 General Fund and \$3,529,000 Central Service Cost Recovery Fund (CSCRF) in 2024-25, and \$134,000 (\$83,000 GF and \$51,000 CSCRF) in 2025-26 and 2026-27 to provide consulting services and one limited-term position for the State Controller's Office's Book of Record Functionality Migration to FI\$Cal.
- Provides \$1,002,000 [\$511,000 General Fund (GF), \$311,000 Central Service Cost Recovery Fund (CSCRF), and \$180,000 Unclaimed Property Fund (UPF)] in 2024-25 and 2025-26 to support the increased mainframe computer infrastructure and operational costs associated with services provided by the California Department of Technology (CDT)
- Approves \$70.1 million in reversion of State Controller's Office appropriations in 2023-24, rejects the reappropriation of \$41.6 million General Fund from 2023-24 to 2024-25, and approves \$3.2 million for ancilliary contracts related to the California State Payroll System project.

**State Lottery Commission**

- Adopts placeholder trailer bill language eliminating references to the Department of the Youth Authority within State Lottery statutes, reflecting the closure of all Juvenile Justice facilities in 2023.

**Various**

- *Approved in Early Action:* Adopted a proposal to reduce departmental budgets in 2024-25 by \$1.5 billion (\$762.5 million General Fund) for savings associated with vacant positions.
- Approves proposal making vacant position reductions permanent by eliminating approximately 10,000 positions beginning 2024-25, and adopts placeholder budget bill language.
- Approves scored reductions associated with an across-the-board reduction to state operations by approximately 7.95 percent beginning in 2024-25 to nearly all department budgets. This reduction includes personnel, operating costs, and contracting. Adopts placeholder budget bill language.
- Adopt Supplemental Reporting language directing the LAO to report on all APA and contract code exemptions.

**Labor and Workforce Development Agency**

- Includes \$612,000 in reimbursement authority in 2024-25 and ongoing to make 3 limited-term positions permanent, including a Deputy Secretary of Strategic Workforce.
- Includes \$5.66 million (all various special funds) and \$491,000 reimbursement authority in 2024-25, and \$1.06 million (all various special funds) and \$148,000 reimbursement authority in 2025-26 split amongst multiple entities within the Labor and Workforce Development Agency to provide limited-term resources for the initial information technology set-up and configuration for the New Labor Agency Building.
- Approves using Control Section 13.40 to make an additional transfer of \$35 million from the LWDF to the General Fund, to be repaid in 2028-29. Section 13.40 provides the Director of Finance the ability to transfer various special funds to the General Fund as budgetary loans from resources not required for currently projected operational or programmatic purposes.
- *Approved in Early Action:* Provides a loan of \$125 million from the Labor and Workforce Development Fund to the General Fund, with a 2028-29 repayment date.
- *Approved in Early Action:* Delays repayment of a \$107 million loan from the Labor and Workforce Development Fund from 2024-25 to 2027-28.

**California Workforce Development Board**

- Proposes a \$15 million General Fund reduction and maintaining \$30 million (\$15 million General Fund and \$15 million Greenhouse Gas Reduction Fund) over two years for the Low Carbon Economy Program.
- Approves \$50,000,000 in federal funding for workforce development education and training to be administered by the California Department of Transportation in partnership with the California Workforce Development Board.
- Rejects a reduction of \$45 million in 2023-24 for the High Road Training Partnership in Health and Human Services program.
- Rejects a reduction of \$20 million in 2024-25 for the California Youth Leadership Corps.
- Extends the encumbrance and expenditure period for \$9 million in the Budget Act of 2023 to allow the California Workforce Development Board to fund appropriate staff costs throughout the life of federal grants. This will extend the encumbrance and expenditure period from June 30, 2024, to June 30, 2028.

- *Approved in Early Action:* Delayed \$40 million for the Goods Movement Workforce Training Campus by reallocating \$20 million in 2025-26 and another \$20 million in 2026-27.

### **Department of Industrial Relations**

- Allocates \$3,415,000 in 2024-25 and \$4,027,000 in 2025-26 and 2026-27 from the Labor and Workforce Development Fund to conduct outreach and education activities to workers in rural and semi-rural areas on workplace rights, state services, and labor enforcement programs, and adopts placeholder budget bill language implementing the program.
- Allocates \$25,278,000 one-time in 2024-25 from the Labor and Workforce Development Fund to continue the development of Cal/OSHA's information technology system to meet federal and state-mandated requirements, consolidate information into a central database/repository, interface to other Department systems, and automate manual processes.
- Includes \$4,807,000 in 2024-25, \$8,560,000 in 2025-26, \$12,255,000 in 2026-27, and \$11,907,000 in 2027-28 and ongoing from the Workers Compensation Administration Revolving Fund for 71 positions to reduce wait times for workers' compensation services for injured workers and employers.
- Appropriates \$22,194,000 one-time in 2024-25 from the Workers Compensation Administration Revolving Fund to continue the replacement of the Electronic Adjudication Management System (EAMS). EAMS is the tool used primarily to manage the adjudication of benefit related issues, including the scheduling of hearings to review the issues brought before the Division of Workers' Compensation, and as a document intake/repository for case related court documents. EAMS is also used as a case management tool.
- Provides \$379,000 in 2024-25 and \$349,000 in 2025-26 and ongoing from various special funds for 2 information security positions that will address audit findings and enhance cybersecurity compliance.
- Provides a \$1,369,000 increase in Federal Trust Fund authority in 2024-25 and ongoing for the OSHA 23(g) State Plan Program Federal Grant.
- Allocates \$2,042,000 in 2024-25, \$3,343,000 in 2025-26, and \$3,193,000 in 2026-27 and ongoing from various special funds for 22 positions dedicated to monitoring, processing, and responding to Public Records Act requests.
- Appropriates \$10,673,000 one-time in 2024-25 from the Labor and Workforce Development Fund to complete information technology system enhancements and provide maintenance

and support for the Department's public works data systems.

- Includes \$543,000 in 2024-25 and \$497,000 in 2025-26 and ongoing from various special funds to increase safety and security at the various Department's physical offices throughout the state. Activities include conducting site assessments and audits, updating evacuation maps, developing and implementing updated safety and security policies and procedures, maintaining the department's Building Evacuation Response Team list, and creating and maintaining access/ID badges.
- Includes 3 permanent positions to provide grant program administrative support capacity.
- Provides \$1,547,000 in 2024-25, \$2,155,000 in 2025-26, \$2,825,000 in 2026-27, and \$2,780,000 in 2027-28 and ongoing from the Workers' Compensation Administration Revolving Fund for 13 positions to address workload issues and reduce backlog at the Workers' Compensation Appeals Board.
- Rejects funding reduction and elimination of the Women in Construction Priority Unit.
- Provides 5 permanent positions to support the Women in Construction Priority Program. These positions will be funded from the existing, ongoing General Fund appropriation.
- Rejects funding reduction of \$25 million General Fund for the California Youth Apprenticeship Program.
- Approves a reduction of \$40 million for the Apprenticeship Innovation Fund.
- Allocates resources to fund the following chaptered legislation:
  - \$300,000 Workers Compensation Administration Revolving Fund in each of 2024-25 and 2025-26 to implement Workers' Compensation: Post-Traumatic Stress Disorder— SB 623 (Laird) Chapter 621, Statutes of 2023.
  - \$5.188 million special fund in 2024-25, \$4.883 million special fund in 2025-26 and ongoing, and 21.5 permanent positions to implement Fast Food Council— AB 1228 (Holden) Chapter 262, Statutes of 2023 and AB 610 (Holden) Chapter 4, Statutes of 2024.
  - \$1.555 million Occupational Safety and Health Fund in 2024-25 and \$1.465 million Occupational Safety and Health Fund in 2025-26 and ongoing and 6 permanent positions to implement Workplace Violence Prevention— SB 553 (Cortese), Chapter 289, Statutes of 2023

- \$1.854 million State Public Works Enforcement Fund in 2024-25 and \$1.702 million State Public Works Enforcement Fund in 2025-26 and ongoing and 10 permanent positions to implement Affordable Housing on Faith and Higher Education Lands Act of 2023— SB 4, (Wiener) Chapter 771, Statutes of 2023.
- \$706,000 State Public Works Enforcement Fund in 2024-25 and \$190,000 State Public Works Enforcement Fund in 2025-26 and ongoing and one permanent position to implement Public Works: Ineligibility List— AB 1121 (Haney), Chapter 465, Statutes of 2023.
- \$605,000 Labor Enforcement and Compliance Fund in 2024-25 and \$560,000 Labor Enforcement and Compliance Fund in 2025-26 and ongoing and three permanent positions to implement Paid Sick Days Accrual and Use— SB 616 (Gonzalez), Chapter 309, Statutes of 2023
- \$648,000 Labor Enforcement and Compliance Fund in 2024-25 and \$609,000 Labor Enforcement and Compliance Fund in 2025-26 and ongoing and 2.5 permanent positions to implement Grocery Workers— AB 647 (Holden), Chapter 452, Statutes of 2023
- \$205,000 Labor Enforcement and Compliance Fund in 2024-25 and \$189,000 Labor Enforcement and Compliance Fund in 2025-26 and ongoing and one permanent position to implement Food Safety: Food Handlers— SB 476 (Limón), Chapter 610, Statutes of 2023
- \$833,000 Labor Enforcement and Compliance Fund in 2024-25 and \$773,000 Labor Enforcement and Compliance Fund in 2025-26 and ongoing and four permanent positions to implement Labor Code Alternative Enforcement— AB 594 (Maienschein), Chapter 659, Statutes of 2023
- Allocates a one-time \$30 million Labor and Workforce Development Fund appropriation for the California Workplace Outreach Project in 2024-25.
- Rejects trailer bill seeking to modify the timeline for petitions for reconsideration under the Workers' Compensation Appeals Board.
- Adopts placeholder trailer bill language to conform changes made by SB 4 (Wiener, Chapter 771, Statutes of 2023), and conform the Department's ability to establish and adjust annual registration and renewal fees of up to \$800 by publishing fees on its website, and subject the establishment and renewal of any fees in excess of \$800 to the APA—consistent with a



similar 2023 trailer bill implementing AB 2011 (Wicks, Chapter 647, Statutes of 2022) and SB 6 (Caballero, Chapter 659, Statutes of 2022).

- Adopts placeholder trailer bill to address hiring issues at the Labor Commissioner's Office and Cal/OSHA.
- *Approved in Early Action:* Shifted \$1.3 million of costs from the General Fund to the Labor Enforcement and Compliance Fund for the Department's "Reaching Every Californian" campaign.

### **Employment Development Department**

- Allocates \$326,829,000 one-time in 2024-25, funded equally by the General Fund and the Unemployment Compensation Disability Fund to continue the EDDNext Modernization project.
- *Approved in Early Action:* Used \$100 million from the Employment Training Fund to pay a portion of the annual interest payment on the state's unemployment insurance loan balance.
- Revises the annual interest payment on the state's unemployment insurance loan to \$484 million (\$384 million General Fund and \$100 million Employment Training Fund).
- Provides a one-time \$50 million Employment Training Fund payment to support the state's UI loan interest payment in 2025-26.
- Proposes increasing budget bill Item 7100-101-0871, Budget Act of 2023, pursuant to Provision 3, by \$197,558,000 in 2023-24 to align with an estimated increase in unemployment insurance claims. This item is a local assistance item for the Unemployment Insurance Program, payable from the Unemployment Fund— Federal.
- Proposes increasing budget bill item 7100-101-0588 by \$461,192,000 ongoing to align with updated State Disability Insurance program benefit payment estimates. Additionally, Item 7100-101-0588, Budget Act of 2023, pursuant to Provision 2, is increased by \$935,332,000 in 2023-24 to align with an estimated increase in disability insurance claim payments. This item is a local assistance item for the Disability Insurance Program, payable from the Unemployment Compensation Disability Fund.
- Provides that Items 7100-001-0869 and 7100-021-0890 be increased by \$28,642,000 one-time and Items 7120-101-0869 and 7100-101-0890 be increased by \$28,972,000 one-time to align Workforce Innovation and Opportunity Act funding authority with estimated federal allocations.

- *Approved in Early Action:* Delayed \$275 million from 2021-22 and instead included \$91.7 million for each year between 2024-25 and 2026-27 for the California Jobs First program (Formerly known as CERF)
- Reduces funding for California Jobs First program by \$150 million over three years (\$50 million General Fund reduction in each of 2024-25, 2025-26, and 2026-27) and reverts \$25 million appropriated in the 2021 Budget Act, leaving \$50 million in each of 2024-25, 2025-26, and 2026-27 for the program. Transfer \$25 million of the remaining \$150 million from California Jobs First to the California Workforce Development Board to fund existing grantees to create new, expand, scale, or replicate high road training partnerships
- *Approved in Early Action:* Reverted \$10 million from the Displaced Oil and Gas Worker Fund back to the General Fund.
- *Approved in Early Action:* Reverted \$10 million from the Emergency Medical Technician Training program back to the General Fund.
- *Approved in Early Action:* Shifted \$6 million of costs from the General Fund to the Unemployment Compensation Disability Fund across 2023-24 and 2024-25 for fraud mitigation and cybersecurity efforts.
- Adopts placeholder trailer bill language related to California Jobs First to push back various timelines for expenditure and obligation of funds.

### **California Department of Human Resources**

- Includes \$350,000 in 2024-25 and ongoing, \$290,000 of which is General Fund to modernize various online functionalities and improve privacy and cybersecurity. This include implementing Two Factor Authentication and implementing a security incident and event management system.
- Appropriates \$433,000 in 2024-25 and ongoing in reimbursement authority for 2 positions to address staffing issues in the Psychological Screening Program, which conducts pre-employment psychological assessments for law enforcement candidates for state agencies.
- Adopts placeholder trailer bill language that would revise various statutory provisions to accommodate the implementation of a uniform payroll cycle that is not monthly.
- Existing law requires, until June 31, 2025, that an exclusive representative be entitled to schedule an in-person meeting at the worksite during employment hours, if a public employer has not conducted an in-person new employee orientation within 30 days, as specified,

amongst other provisions. Adopts placeholder trailer bill that would eliminate the sunset date.

### **California Public Employees Retirement System**

- Proposes \$6.86 billion (\$3.48 billion General Fund) as the statutorily required annual state contribution to CalPERS for state pension costs in 2024-25.
- Adopts a net increase of \$53,854,000 to the 2024-25 CalPERS' operational budget that was approved by the CalPERS Board on April 16, 2024. The increase proposed by CalPERS is primarily attributed to increased investment external management fees and headquarters building costs, offset by a decrease in third-party administrator fees.
- Amends Control Section 3.60 to reflect changes in state retirement contribution rates for state members of CalPERS, and the Judges' Retirement System II , as adopted by the CalPERS Board of Administration on April 16, 2024.
- Amends Control Section 3.61 to authorize the Department of Finance to transfer Proposition 2 debt repayment funding to the California Employers' Retiree Benefit Trust Fund in the current or prior fiscal year to satisfy the Proposition 2 debt repayment allocation for the relevant fiscal year.
- *Approved in Early Action:* Applied a prior-year supplemental pension payment towards the required annual state contribution to CalPERS for state pension costs.

### **Employee Compensation and Retirement**

- Approves Proposition 2 Debt Repayment, including \$360 million to prefunding retiree health benefits, \$836 million to repay the CalPERS borrowing plan, and \$420 million to pay down CalPERS' unfunded liabilities.
- Allocates \$1.23 billion (\$639 million General Fund) for augmentation of employee compensation to reflect updated expenditures for collectively bargained pay increases and health and dental premiums.
- Scores associated savings and rejects trailer bill language eliminating telework stipends for 17 bargaining units.
- Adopts placeholder trailer bill language implementing Proposition 2 Supplemental Pension Payments

- *Approved in Early Action:* Reinstate a one-day accounting delay for state employee payroll costs from June 30, 2025 to July 1, 2025. This action is anticipated to achieve \$1.6 billion in General Fund savings by shifting one month of payroll costs to the following fiscal year. This action will only be reflected in the state's accounting and will not affect the timing of payments issued to state employees.
- Adopts placeholder trailer bill language implementing the payroll deferral noted above.

### **California State Teachers' Retirement System**

- Allocates \$4.26 billion General Fund as the statutorily required annual state contribution to California State Teachers' Retirement System (CalSTRS) in 2024-25.
- Appropriates \$1,899,000 in 2024-25 and ongoing from the Teachers' Retirement Fund for 12 positions to perform operational support and compliance and risk management functions.
- Allocates \$205,837,000 one-time in 2024-25 from the Teachers' Retirement Fund to continue implementation of the Pension Solution Project. The project aims to modernize the legacy pension administration system.
- Proposes increasing the Teachers' Retirement Fund by \$519,000 in 2024-25 to reflect the state's share of overpayments identified by the system to be paid on July 1, 2024.

# **Subcommittee No. 6 on Public Safety**

**Assemblymember James Ramos, Chair**

## PUBLIC SAFETY

### Department of Corrections and Rehabilitation

- Projects the average daily adult incarcerated population to be 90,860 in 2024-25, which is 825 fewer than projected in the Governor's Budget. The projected parolee average daily population is 41,287 in 2024-25, which is a decrease of 935 compared to the Governor's Budget projection.
- Includes a minimum additional baseline reduction of \$500 million ongoing to CDCR beginning in 2024-25 (\$170 million ongoing additional baseline reduction and a minimum ongoing reduction of \$330 million as part of the State Operations reduction) and provisional language that specifies exemptions and requires CDCR to develop a plan for out-year reductions. This is in addition to the \$15 million baseline reduction proposed in the Governor's Budget and adopted in the Early Action budget package and an administrative reduction of \$9.6 million and 57 positions in 2024-25 and \$11.1 million and 65 positions in 2025-25 and ongoing to reflect administrative headquarters reductions associated with workload decreases due to prison closures.
- Includes a modification of the Governor's proposal to deactivate 46 housing units for a total of \$80.6 million in ongoing savings to instead deactivate yards to achieve the level of proposed savings.
- Provides \$2.1 million ongoing General Fund in 2024-25 to continue increased state appointed attorney fees, which were initially funded on a limited term basis in the 2021-22 Budget, to remain competitive with market rates.
- Provides an increase of \$7.4 million one-time General Fund in 2023-24, and \$8.2 million ongoing, which totals \$32.6 million in 2023-24, and \$36.7 million ongoing to provide free voice calling pursuant to Chapter 827, Statutes of 2022.
- Provides \$959,000 General Fund for a potable water treatment system project at the California Health Care Facility in Stockton.
- Maintains \$50.4 million General Fund in 2023-24 and associated ongoing resources for statewide correctional video surveillance projects at 5 prisons provided in the 2023-24 Budget and delays \$27.2 million General Fund for the implementation of fixed camera projects at five prisons to future fiscal years (2025-26 and 2026-27) and includes a \$900,000 ongoing reduction as part of a May Revision technical adjustment.

- Reappropriates \$24.3 million COVID-19 prevention and response funding savings from 2023-24 for one year and rejects \$38.3 million ongoing General Fund beginning 2024-25 for COVID-19 prevention and mitigation activities.
- Adopts \$2 million ongoing General Fund reduction for the Transmetro bus contract.
- Provides \$26 million General Fund for four years only for renegotiated contracts with various sex offender rehabilitation service providers.
- Approves the redirection of \$8 million (\$4 million in 2024-25 and \$4 million in 2025-26) of funding for the Hope and Redemption Program from \$20 million General Fund for San Quentin in the 2023-24 Budget and rejects the request for reappropriation of \$12 million for capital improvements in San Quentin, including a town square.
- Approves a portion of proposed \$7.5 million General Fund in 2024-25 and \$14.4 million in 2024-26 ongoing related to converting limited term positions into permanent positions and redirects the remaining resources and new positions to the Office of Inspector General for oversight of the staff misconduct process and auditing functions.
- Approves net decrease of \$76.7 million ongoing General Fund for employee compensation costs adjusted at May Revision.
- Approves a reduction of \$77.6 million and 436.1 positions in 2024-25 and \$132.3 million and 743.2 positions ongoing thereafter to reflect the accelerated closure of Chuckawalla State Prison from March 2025 to November 2024.
- Approves reduction of \$8.5 million in 2025-26 and ongoing related to CDCR's headquarters lease on 1515 L Street.
- Provides \$1.54 million General Fund in 2024-25, \$1.83 million in 2025-26, \$2.3 million in 2026-27, \$2.78 million in 2027-28, and \$3.26 million ongoing to fund additional workers' compensation death benefits for the families of deceased peace officers required by Chapter 448, Statutes of 2023 (AB 621).
- Provides 7 positions ongoing and \$16.5 million in reimbursements one-time to continue the development of an information technology-based Medi-Cal billing system to support the implementation of CalAIM and adopts provisional budget bill language directing CDCR to use PATH funding for planning on pre-release community handoffs and building out its own billing system.

- Approves modifications to previously budgeted pre-release reentry funding (\$102.8 million from the 2022 Budget Act) to make this consolidated funding available to support projected costs associated with both existing and expansion reentry beds, allowing CDCR to utilize existing funding to offset increased costs associated with operating existing community correctional reentry programs while supporting the expansion of reentry programs based on projections of when new facilities will become operational.
- Provides a net zero shift of \$12.73 million federal fund to the General Fund to reflect the anticipated receipt of funding from the federal program associated with the State Criminal Alien Assistance Program (SCAAP), administered by the Federal Department of Justice, Bureau of Justice Assistance.
- Approves reduction of \$6 million one-time General Fund from the 2022 Budget Act for data collection analysis and parole outcomes.
- Approves an ongoing reduction of \$4.1 million for the COVID-19 Testing protocol proposal.
- Approves cancellation of Managed Access System expansion, resulting in reversions of \$8.5 million in 2022-23 and \$15.3 million in 2023-24 due to the inefficiency of the intervention.
- Approves reduction of \$8.5 million in 2023-24, \$13.8 million in 2024-25, and \$22.6 million ongoing to reduce the number of training hours from 48 to 40 and a discontinuation of the California Reality Based Training Center.
- Approves technical adjustments to the Statewide Correctional Video Surveillance proposal, Transmetro bus contract and other adjustments for a net increase of \$273,000 ongoing.
- Includes \$2.3 million General Fund in 2024-25, growing to \$3.4 million in 2028-29 for parole reentry contracts that recently expired or will expire in 2024-25.
- Rejects \$5.8 million ongoing General Fund to address California Department of Technology fee increases and Department of General Services' vehicle insurance assessment rate increases.
- Rejects reappropriation request of \$1.06 million from the 2021 Budget Act and \$147,000 from the 2022 Budget Act for the purchase of fleet assets and makes an additional reduction of \$7 million each year for three years for vehicle fleet assets.



- Rejects the Governor's proposal to eliminate the third day of visitation at Level IV prisons, for a savings of \$4.1 million ongoing.
- Rejects the proposal to reduce \$2.4 million in 2024-25 and \$4.8 million in 2025-26 and ongoing for the fire suppression services contract with Los Angeles County.
- Rejects \$23 million General Fund beginning in 2024-25 and \$46 million ongoing thereafter for utilities costs.
- Rejects \$40 million one-time General Fund in 2024-25 for the medical program shortfall.
- Rejects \$38.5 million ongoing General Fund proposal for Contract Medical services and proposed change to the methodology.
- Rejects new proposal for \$8.6 million ongoing General Fund and 49 correctional officer positions to escort condemned people who are being transferred from death row to general population housing at various prisons.
- Eliminates the Employee Health Program for an ongoing savings of \$15 million General Fund.
- Eliminates the Joint Commission Accreditation, reducing 19.0 positions and \$3.8 million General Fund in 2024-25, 26.0 positions and \$4.3 million General Fund in 2025-26, 31.0 positions and \$5.1 million General Fund in 2026-27, and 38.0 positions and \$6.1 million General Fund in 2027-28 and ongoing.
- Transfers \$4 million in surplus Prison Industries Revolving Fund to the General Fund.
- Reduces \$7 million ongoing General Fund for to scale back maintenance costs for deactivated prisons.
- Reduces previously provided augmentation of toxicology screening for Integrated Substance Use Disorder Treatment Program by \$6 million ongoing General Fund beginning in 2024-25.
- Reduces the San Quentin Rehabilitation Center bond authority in 2023-24 from \$360.6 million to \$240.6 million to reflect the project cost.
- Reduces the pharmaceutical budget by \$31 million instead of \$15.4 million as proposed in the May Revision and directs CDCR to request additional resources through the

unanticipated cost or supplemental appropriation process if it cannot absorb the difference between expected and actual savings.

- Includes a reduction of \$15 million ongoing General Fund beginning in 2024-25 and require Specialized Treatment for Optimized Programming (STOP) providers to bill Medi-Cal for outpatient services and includes provisional budget bill and placeholder trailer bill for CDCR to develop a plan for all STOP providers to become Medi-Cal eligible entities.
- Reduces CalPIA Health Facilities Maintenance Program supervisor positions for savings of \$6 million ongoing General Fund.
- As part of the Early Action budget package, these additional proposals were adopted.
  - Reduction of \$11.9 million General Fund in 2023-24 for the Deuel Vocational Institution Defeasance Excess Appropriation Authority (Capital Outlay) to reflect the prison's closure in 2021.
  - Reduction of \$100,000 General Fund in 2023-24 and ongoing for the Division of Adult Parole Operations Urinalysis Contract Funding to right size the contract based on actual need.
  - Reduction of \$38.8 million General Fund in 2023-24 for COVID-19 Prevention and Response Funding in to reflect current year savings.
  - Reduction of \$900,000 General Fund in 2024-25 for the Division of Juvenile Justice (DJJ) Warm Shutdown costs to align with actual needs. DJJ facilities were closed pursuant to SB 823 (Chapter 337, Statutes of 2019) and intake ceased in June of 2023.
  - Reduction \$1.9 million General Fund in 2024-25 and ongoing to reflect the adjusted cost to implement SB 990 (Chapter 826, Statutes of 2021) which allowed people on parole additional eligibility to move to counties outside of their original county of commitment.
  - Reduction of \$5 million General Fund in 2023-24 and \$9 million in 2024-25 for COVID-19 Workers Compensation expenditures based on actual need
- Approves \$100,000 one-time General Fund for CDCR and \$400,000 one-time General Fund for the Sister Warriors Freedom Coalition in 2024-25 to continue to support the Sexual Assault Response and Prevention working group and ambassador program.

- Includes ongoing requirement for CDCR to report on legal costs associated with class action lawsuits.
- Adopts placeholder trailer bill for amendments to clemency statutes, and the removal of references to closed prisons.

### **Juvenile Justice Realignment**

- Reduced \$909,000 General Fund to align contract resources for maintaining closed Division of Juvenile Justice facilities as part of the Early Action budget package.
- Provides \$210 million one-time General Fund in 2024-25 for the Juvenile Justice Realignment Block Grant (JJRBG) established by Chapter 337, Statutes of 2020 (SB 823), to support realigned youth from the Division of Juvenile Justice to local care..
- Adopts trailer bill to maintain the current SB 823 funding formula for 2024-25 in order to provide additional time for the Administration to work with the Legislature and stakeholders on a refined methodology and provide greater certainty to counties regarding their funding for 2024-25.
- Adopts trailer bill to transfer all juvenile justice grant administration duties from the Board of State and Community Corrections to the Office of Youth and Community Restoration as required by statute.
- Adopts trailer bill to require data collection related to Secure Youth Treatment facilities.

### **Judicial Branch**

- Provides \$5.2 billion (\$3.2 billion General Fund and \$2 billion other funds) for Judicial Branch operations, of which \$3 billion will support trial court operations.
- Adopts placeholder trailer bill related to the Trial Court Emergency Fund, trailer bill related to remote hearings in trial courts, trailer bill to change the frequency of meetings for county law libraries from monthly to quarterly, and trailer bill that includes permissive language for the Habeas Corpus Resource Center to represent people sentenced to life without parole, consistent with the Office of State Public Defender.
- Rejects the proposed trailer bill to increase the reserve cap for trial courts from 3% to 5%.
- Provides \$89.5 million lease revenue bond authority for the New Sixth Appellate District Courthouse Design Build Phase and additional \$11.5 million lease revenue bond authority for the Sonoma County New Santa Rosa Criminal Courthouse for the construction phase.

- Provides \$1.3 million Trial court Trust Fund in 2024-25, increasing to \$1.5 million and annually thereafter to support independent, external audits of the trial courts.
- Provides \$37.27 million ongoing General Fund for backfilling the Trial Court Trust Fund for revenue declines expected in 2024-25.
- Provides \$40 million General Fund in 2024-25 and \$89 million ongoing General Fund to the State Court Facilities and Construction Fund to reflect the updated revenue shortfalls based on the most current estimates of the State Court Facilities Construction Fund revenues for 2024-25.
- Provides an increase of \$19.1 million General Fund for three years to Self-Help Centers and requires reporting.
- Maintains \$6.8 million General Fund previously allocated for the Workforce Pilot program and sweeps the remaining \$13.6 million back to the General Fund.
- Includes \$16 million in General Fund Savings for court reporters in 2023-24 and rejects the ongoing reduction of \$10 million for court reporters in civil and family matters.
- Includes a \$98 million ongoing reduction to trial court operations representing the proposed 7.95% state operations reduction and a one-time \$5 million reduction in operation savings from the Judicial Council in 2023-24.
- Reverts \$9.4 million for the Judicial Council Firearm Relinquishment Grant Program back to the General Fund and requires that \$9.2 million in grants be awarded to courts.
- Provides an increase of \$3.57 million ongoing General Fund for trial court facility operations and maintenance for a new Stanislaus County courthouse opening in 2024-25.
- Reverts a total of \$100 million one-time unrestricted fund balance of the Trial Court Trust Fund to the General Fund in 2024-25, of which \$75 million was already approved in the Early Action budget package.
- Reverted one-time \$5 million in the Trial Court Emergency Fund as part of the Early Action budget package.

- Includes current year savings of \$17.5 million one-time General Fund for CARE Act implementations and various adjustments totaling \$59.1 million reduction ongoing thereafter and provisional budget bill language updating the number of counties eligible to receive grants for legal representation among other provisions.
- Includes \$15 million General Fund in 2023-24 and 2024-25 to reflect the revised employee compensation for judges and justices.
- Includes \$20.82 million ongoing to reflect the updated health benefit and retirement rate changes for trial court employees.
- Extends the liquidation period for deferred maintenance projects totaling \$8.3 million to June 30, 2025 for the Hayward Hall of Justice and Foltz Criminal Justice Center due to unforeseen challenges during construction, scope revisions, and extended delays in required inspections by the State Fire Marshal.
- Reappropriates up to \$5.1 million support the implementation Chapter 526, Statutes of 2021 (AB 716), related to remote access in court proceedings.
- Provides \$1.11 million and 4 positions ongoing to implement Piqui's Law: Keeping Children Safe from Family Violence Act: Chapter 865, Statutes of 2023 (SB 331).

### **Judges Retirement System**

- Reduces \$38,000 ongoing for the state contributions to the Judges Retirement System II, which complies with the statutory requirement per Government Code section 75600.5, that the state retirement contribution to JRS II be appropriated based on the contribution rate submitted by the California Public Employees' Retirement System (CalPERS) Board of Administration.
- Reappropriates \$65,000 General Fund to allow CalPERS to continue making payments for the post judgment award in *Robert M. Mallano, Individually, and Behalf of a Class of Similarly Situated Persons v. John Chiang, Controller of the State of California (Superior Court of California, County of Los Angeles, Case No.BC-533770)*.

### **Office of Inspector General**

- Reduces \$1.9 million General Fund in 2024-25 and \$3.9 million ongoing thereafter for the Medical Inspection Unit, reducing the frequency of medical inspections of state prisons.

**Department of Justice**

- Provides \$1.3 billion, including \$487 million General Fund, to support the Department of Justice.
- Rejects \$4 million General Fund in 2024-25 through 2026-27 for baseline level funding for small client legal workload which retains the baseline funding that was authorized for three years in the 2021 Budget Act.
- Adopts trailer bills that 1) increase the Controlled Substance Utilization Review and Evaluation System (CURES) Fee from \$9 to \$15 beginning April 1, 2025 to cover actual costs to administer the CURES program, 2) amendments to Chapter 444, Statutes of 2023 (AB 567) - Criminal Records Relief, and 3) technical changes to Chapter 457, Statutes of 2023 (AB 853)
- Includes a \$130 million budgetary loan from the Unfair Competition Law Fund, of which \$100 million was approved as part of the Early Action budget package.
- Rejects the reduction of \$10 million ongoing General Fund to the Division of Law Enforcement and approves the reduction of \$5 million ongoing General Fund for the Division of Legal Services beginning in 2024-25.
- Rejects without prejudice (in order to evaluate the rate increase impact on departments) the proposal to increase the legal services rate which includes the following provisions: \$8.53 million General Fund and \$2.3 million Fingerprint Fees Account in 2024-25 and ongoing and a proposal to increase the rates it charges to departments for the use of its legal services by approximately 3.75%.
- Approves a \$3 million reduction, including \$1 million reduction to the Division of Legal Services for activities related to federal lawsuits and a \$2 million fund shift from the General Fund to the False Claims Act Fund for federal matching funds for the Division of Medi-Cal Fraud and Elder Abuse.
- Includes \$3.92 million and 8 positions in 2024-25, and \$1.24 million in 2025-26 and ongoing to allow the DOJ to complete Stages 3 and 4 of the Project Approval Lifecycle Process for the Firearms Information Technology Systems Modernization (FITSM) project.
- Includes \$299,000 one-time General Fund and provisional language for the payment of unpaid interest related to the repealed Remote Caller Bingo Program.

- Includes \$3.07 million one-time Indian Game Special Distribution Fund to continue the License 2000 System Replacement Project.
- Includes \$930,000 ongoing from the Indian Gaming Special Distribution Fund beginning in 2024-25 to maintain the Tribal key Employee Licensing workload.
- Includes provisional language to allow the Department of Finance to augment the DOJ's budget to pay legal settlement costs.
- Includes \$7.8 million ongoing (\$1.9 million False Claims Act Fund and \$5.9 million Federal Trust Fund) and 85 positions to expand investigations, enforcement activities, and prosecutions related to Medi-Cal fraud and elder abuse.
- Includes \$4.73 million in 2024-25, and \$4.75 million in 2025-26 and 2026-27 to allow DOJ for climate nuisance litigation, including the continuation of litigation efforts against several major oil companies.
- Includes \$17.5 million (\$15.2 million General Fund) to implement the following signed legislation. Includes a shift of \$840,000 in 2024-25 and \$814,000 in 2025-26 and 2026-27 from General Fund to the Unfair Competition Law Fund to implement AB 1076.
  - Firearms: Chapter 249, Statutes of 2023 (SB 2)
  - Law Enforcement Hate Crimes Policies: Chapter 524, Statutes of 2023 (AB 449)
  - Reporting of Lost and Stolen Firearms: Chapter 239, Statutes of 2023 (AB 725)
  - Tribal Police: Chapter 638, Statutes of 2023 (AB 44)
  - Dealers Record of Sale: Chapter 237, Statutes of 2023 (AB 574)
  - Noncompete Agreements: Chapter 828, Statutes of 2023 (AB 1076)
  - Dealer Requirements: Chapter 250, Statutes of 2023 (SB 241)
  - Restorative Justice Program: Chapter 513, Statutes of 2023 (AB 60)
  - Firearms Purchases: Chapter 246, Statutes of 2023 (AB 1483)
  - Retail Drug Store and Retail Grocery Store Merger Enforcement: Chapter 457, Statutes of 2023 (AB 853)

- Criminal Records Relief: Chapter 444, Statutes of 2023 (AB 567)
- Charitable Raffles: Chapter 406, Statutes of 2023 (SB 650)
- The California Delete Act: Chapter 709, Statutes of 2023 (SB 362)

### **Board of State and Community Corrections and Local Public Safety**

- Estimates Proposition 47 savings to be \$87.8 million in 2024-25 which will be allocated for purposes including but not limited to mental health and substance use treatment programs, truancy and dropout prevention, and victim services.
- Approves the proposed reduction of \$4.4 million ongoing General Fund for Post Release Community Supervision.
- Provides \$113.6 million General Fund in 2023-24 for county probation departments for the Community Corrections Performance Incentive Grant and reverts to the previous methodology for calculating incentive payments for counties beginning in 2024-25 as specified in existing statute.
- Rejects the reduction of \$111 million to the Adult Reentry grant, including the reversion of \$54.1 million in 2023-24, and the delay proposed in the Governor's Budget.
- Approves the proposed reduction of \$9 million General Fund in 2024-25 and ongoing for the Cal VIP grant program which will be replaced by the funding from the newly created Gun Ammunition Tax (Chapter 231, Statutes of 2023). Estimates indicate \$75 million will be available beginning in the budget year to support Cal VIP.
- Provides \$3.28 million and 15 positions in 2024-25 and \$7.69 million and 35 positions ongoing to implement in-custody death reviews (SB 519).
- Rejects the reduction of \$40 million General Fund in 2023-24 for the final year of funding for the Public Defense Pilot program.
- Approves the Governor's proposal to revert \$10.5 million in 2023-24 for the Medication Assisted Treatment Funding and rejects the Governor's proposed trailer bill related to this proposal.
- Reduced \$8 million General Fund beginning in 2024-25 and ongoing for counties that provide Community Corrections Plans and reports which was included in the Early Action budget package.



- Reduces \$835,000 General Fund beginning in 2024-25 and ongoing for the Proud Parenting Grant program.
- Includes a savings of \$3.6 million in 2024-25 of the reduction of vertical prosecution grant program which was not applied for.

### **Victim Services**

- Provides \$350,000 ongoing General Fund beginning in 2024-25 to pay for legal services provided by the Department of Justice in erroneous conviction cases.
- Provides \$1.46 million General Fund in 2024-25, \$1.42 million in 2025-26 and ongoing thereafter to support the implementation of Chapter 702, Statutes of 2023 (SB 78) which extends the timeline to approve claims for erroneous convictions from 30 days to 90 days after receiving the claim and requires additional documentation to calculate the total compensation owed.

### **California Military Department**

- Provides an increase of \$30 million General Fund (\$15 million in 2024-25 and \$15 million in 2025-26) to further expand the Military Department's existing drug interdiction efforts to prevent drug trafficking by transnational criminal organizations with a focus on assisting federal, state, local, and tribal law enforcement agencies in combatting fentanyl.
- Provides \$554,000 and 7 positions in 2024-25, and \$539,000 ongoing to support the security and facility needs of the California Military Department's new Consolidated Headquarters Complex.
- Provides \$3.4 million ongoing and reimbursements be increased by \$2 million ongoing to provide pay increases and cover increased costs for benefit stipends for Emergency State Active Duty employees assigned to Taskforce Rattlesnake. This request aligns with federally set rates and provides resources for industrial disability leave required for hand crews.
- Makes adjustments to the State Active Duty Compensation levels to align the pay of the Department's State Active Duty employees to the pay of service members of similar grade in the United States Army, Air Force, and Navy.
- Makes adjustments to the State Active Duty Benefit levels to cover costs for state active duty service members' salary driven benefits and basic allowance for housing (BAH) and cost of living adjustments (COLA) and adopt provisional budget bill language to require that any augmentation shall be authorized not sooner than 30 days after notification to

the Joint Legislative Budget Committee, which shall include information on how the BAH and COLA cost increase was calculated and adopt the remainder of the proposal.

- Includes trailer bill to adjust the rank of the Deputy Adjutant General.

### **Office of Emergency Services**

- Provides \$6,366,000 in State Emergency Telephone Number Account (SETNA) Fund authority for four years for 13 limited term positions and 12 new permanent positions to support state and local 911 public safety agencies. This additional authority would be covered by an increase to the 911 surcharge on communications services.
- Provides \$23,705,000 in SETNA Fund authority annually for four years to purchase equipment supporting state and local 911 public safety agencies. This additional authority would be covered by an increase to the 911 surcharge on communications services.
- Includes \$103 million General Fund in fiscal year 2024-25 and ongoing to the Victims Services Program to provide financial assistance and support to victim services providers to ensure all victims of crime in California receive the services they need.
- Includes one position and \$234,000 in General Fund for fiscal year 2024-25 and ongoing to implement the California State Nonprofit Security Grant Program as enacted by Chapter 566, Statutes of 2023 (AB 1185).
- Provides \$80 million General Fund in fiscal year 2024-25 and ongoing to the California State Nonprofit Security Grant program to provide funding support for target hardening and other physical security enhancements to nonprofit organizations that are at high risk of violent attacks and hate crimes due to ideology, beliefs, or mission.
- Includes two positions and \$666,000 in General Fund and two positions in fiscal year 2024-25 and \$619,000 ongoing to support the California Firefighter Cancer Prevention and Research Program pursuant to Chapter 268, Statutes of 2023 (AB 700).
- Provides \$800,000 in state operations and \$15 million in local assistance for one-time Federal Trust Fund authority for the State and Local Cybersecurity Grant Program.
- Includes \$21,053,000 one-time General Fund for the construction phase of the Relocation of Red Mountain Communications Site Project in Del Norte County and the reversion of \$17,849,000 General Fund of existing construction phase funding in the 2022-23 Budget Act. This results in a net increase in authority of \$3,204,000. The project is to construct three new communications facilities to replace the Red Mountain facility at the following sites:

Rattlesnake Peak, Alder Camp, and Big Lagoon.

- Changes the California Earthquake Early Warning Program's funding authority from the current one-year encumbrance period to a two-year encumbrance period allowing the total lifespan of an Earthquake Early Warning contract to four years.
- Extends the liquidation period for the California Wildfire Mitigation Program funds from June 30, 2025 to June 30, 2029 to complete wildfire home hardening activities.
- Changes the Biannual Strategy Implementation Report due date from February 1 to May 1 each year.
- Extends the liquidation period for the California Hazard Mitigation assistance program funds from June 20, 2026 to June 30, 2033.
- Preserves \$47.5 million one-time General Fund for the Flexible Cash Assistance for Survivors of Crime community grant program.
- Reverts \$15 million one-time General Fund for the Multifamily Seismic Retrofit Matching Grant Program.
- Reverts \$21 million one-time General Fund for the Gun Buyback Program.
- Reverts \$640,000 one-time General Fund of unspent funds for the Statewide Disaster Warehousing Operations.
- Reverts \$6.6 million one-time General Fund of unspent funds for fire fleet vehicle replacements.
- Reverts \$12.5 million General Fund in fiscal year 2024-25 and ongoing for the Listos California Emergency Preparedness Campaign.
- Reverts \$9.5 million General Fund in fiscal years 2024-25, 2025-26, 2026-27, and 2027-28 of one-time funding that was authorized annually over a five-year period as part of the 2023-24 Statewide Disaster Warehousing Operations proposal for warehousing and personal protective equipment (PPE) procurement. This action eliminates the amount provided for PPE replacement.
- As part of the Early Action budget package, these additional proposal were adopted.
  - Reverts \$45 million General Fund included in the 2021-22 Budget Act for the

Community Hardening to Build Disaster Resilient Communities Program which was unspent.

- Reverts \$12 million General Fund for Home Hardening Program (from the Wildfire Resilience Package).