

May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance,
Department of Food and Agriculture**

Animal and Human Health Emergency Infrastructure—It is requested that Item 8570-001-0001 be increased by \$6,085,000 and 29 positions ongoing, and Item 8570-001-0890 be increased by \$5 million ongoing, to respond to current and future threats to animal and human health as a result of increased animal disease outbreaks, including various strains of the Avian Influenza in California.

Office of Pesticide Consultation and Analysis Consultative Workload and Grants—It is requested that Item 8570-001-0111 be increased by \$1.5 million in fiscal year 2025-26 and 2026-27, and \$900,000 in 2027-28 and ongoing to provide the Office of Pesticide Consultation increased authority to cover increased research and consulting costs to implement the Sustainable Pest Management Roadmap, as required by Chapter 60, Statutes of 2024 (AB 2113).

Climate Bond (Proposition 4) Implementation Positions—It is requested that Item 8570-001-6093 be increased by 9 positions ongoing to support the effective implementation of various Department of Food and Agriculture programs included in the Climate Bond.

Various Technical Adjustments

- **Reimbursement Authority Increase:** It is requested that Item 8570-001-0001 be amended by increasing reimbursements by \$358,000 ongoing and Item 8570-001-0111 be amended by decreasing reimbursements by \$226,000 ongoing to meet the current operational needs and project obligations of the Plant Health and Pest Prevention Services Division.
- **Dairy Marketing Branch and Milk Pooling Branch Remaining Milk Producer/Processor Assessments:** It is requested that Item 8570-401 be added to provide the Department authority to fully expend the remaining milk handler assessments from the Dairy Marketing Branch on research projects that benefit California dairy farmers and the remaining handler/processor assessments from the Milk Pooling Branch on Quota Program activities.

This language is a technical adjustment to effectuate a Governor's Budget proposal (see Attachment 1).

- **Encumbrance Extensions to June 30, 2026**—It is requested that Item 8570-490 be added to extend the encumbrance period until June 30, 2026, and liquidation period until June 30, 2029, to provide additional time for the following programs to support ongoing projects and administer awards for grants (see Attachment 2):
 - **Alternative Manure Management Program (AMMP)/Dairy Digester Research & Development Program (DDRDP):** It is requested that \$2,346,000 General Fund in the 2022 Budget Act be reappropriated to re-award grant funds as a result of a project cancellation and extend the availability of support funds for the Office of Agricultural Resilience and Sustainability.
 - **Beginning Farmer and Farmworker Training and Workforce Development Program (BFFTP):** It is requested that \$123,000 General Fund in the 2022 Budget Act be reappropriated to extend the availability of funding to continue the administration of active grants in 2025-26.
 - **Technical Assistance for California Underserved and Small Producers Program:** It is requested that \$169,000 General Fund from the 2022 Budget Act be reappropriated to extend the availability of funding to continue the administration of active grants in 2025-26.
 - **Healthy Soils Program:** It is requested that \$1,468,000 General Fund from the 2022 Budget Act be reappropriated to extend the availability of support funds for the Office of Agricultural Resiliency and Sustainability (OARS) to continue the administration of active grants in 2025-26.
 - **Emerging Threats 2 (ET2) IT Project:** It is requested that \$2,971,000 General Fund from the 2024 Budget Act be reappropriated for the ET 2 IT Project to support baseline project implementation and staff costs in 2025-26.
 - **Healthy Soils Program:** It is requested that \$741,000 Greenhouse Gas Reduction Fund (GGRF) from the 2021 Budget Act be reappropriated for the Healthy Soils Program to extend the availability of funds to administer the remaining active projects and continue monitoring beyond the current liquidation deadline.
 - **AMMP and DDRDP:** It is requested that \$8,034,000 GGRF from the 2022 Budget Act be reappropriated to extend the availability of support funds for the OARS to continue the administration of active grants in 2025-26.
 - **Enteric Methane:** It is requested that \$286,000 GGRF from the 2022 Budget Act be reappropriated to extend the availability of funds to administer the remaining active projects in the Livestock Enteric Methane Emission Reduction Research Program and continue monitoring beyond the current liquidation deadline.

- **AMMP and DDRDP:** It is requested that \$17 million GGRF from the 2024 Budget Act be reappropriated to extend the availability of funds to administer the AMMP and DDRDP projects and continue monitoring beyond the current liquidation deadline.
- **California Underserved and Small Producers Program – California Emergency Relief Fund:** It is requested that \$372,000 California Emergency Relief Fund from the 2022 Budget Act be reappropriated to extend the availability of funding to administer grants in 2025-26. This Program includes direct relief payments for historically underserved and small producers impacted by floods and droughts.
- **Encumbrance Extensions to June 30, 2027**—It is requested that Item 8570-491 be added to extend the encumbrance period until June 30, 2027, to provide additional time for the following programs to support ongoing projects and administer awards for grants (see Attachment 3):
 - **Fairs and Expositions Resiliency Support:** It is requested that \$900,000 General Fund from the 2021 Budget Act be reappropriated to support baseline project implementation and staff costs in 2025-26. This is to support infrastructure for emergency evacuation, shelter, base camps during emergency events, and critical deferred maintenance.
 - **Pest Management:** It is requested that \$15,000 General Fund from the 2022 Budget Act be reappropriated to fully award the remaining funding for the Proactive Integrated Pest Management (IPM) Solutions research grant program.

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

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

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Christopher Cabaldon, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Karen Ross, Secretary, Department of Food and Agriculture
Christine Birdsong, Undersecretary, Department of Food and Agriculture
Arima Kozina, Deputy Secretary of Administration and Finance, Department of Food and
Agriculture

8570-401—(1) Notwithstanding any other provision of law, funds collected pursuant to Food and Agricultural Code Sections 61412, 62145, 61572, 62211, and 62402 may be expended on research projects related to the California dairy industry and for associated administrative costs under the expenditure authority provided under Food and Agricultural Code Section 221(b).

(2) Notwithstanding any other provision of law, funds collected pursuant to Food and Agricultural Code Sections 62712 and 62718 may be used for activities authorized under Food and Agricultural Code Section 62757 and for associated administrative costs. Expenditures authorized under Food and Agricultural Code Section 62757 shall have authority provided under Food and Agricultural Code Section 221(b).

8570-490—Reappropriation, Department of Food and Agriculture. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026, and liquidation until June 30, 2029:

0001—General Fund

(1) Up to \$2,971,000 of the amount appropriated in Item 8570-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the Emerging Threats 2 IT Project.

(2) Up to \$123,000 of the amount appropriated in Item 8570-002-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for Beginning Farmer and Farmworker Training and Workforce Development Program.

(3) Up to \$2,346,000 of the amount appropriated in Provision 5 of Item 8570-102-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for Alternative Manure Management Program and Dairy Digester Research and Development Program.

(4) Up to \$169,000 of the amount appropriated in Provision 9 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for California Underserved and Small Producers Program technical assistance.

(5) Up to \$1,468,000 of the amount appropriated in Provision 4 Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Healthy Soils Program.

3228—Greenhouse Gas Reduction Fund

(1) Up to \$741,000 of the amount appropriated in Item 8570-101-3228, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for the Healthy Soils Program.

(2) Up to \$8,034,000 of the amount appropriated in Provision 4 of Item 8570-102-3228, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the Alternative Manure Management Program.

(3) Up to \$286,000 of the amount appropriated in Provision 3 of Item 8570-102-3228, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for methane emissions research.

(4) Up to \$17,000,000 of the amount appropriated in Item 8570-101-3228, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the Alternative Manure Management Program and Dairy Digester Research and Development Program.

3398—California Emergency Relief Fund

(1) Up to \$4,600,000 of the amount appropriated in Item 8570-101-3398, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for California Underserved and Small Producers Program – California Emergency Relief Fund.

8570-491—Reappropriation, Department of Food and Agriculture. The amount specified in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001— General Fund

(1) Up to \$900,000 of the amount appropriated in Item 8570-002-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) for Fairs and Expositions Resiliency Support.

(2) Up to \$15,000 of the amount appropriated in Provision 11 of Item 8570-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for Pest Management.



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 8570-301-0001 and Addition of Items 8570-491 and 8570-495,
Capital Outlay, Department of Food and Agriculture**

Meadowview Biological Control Office Repairs and Laboratory Replacement—It is requested that Item 8570-301-0001 be increased by \$353,000 one-time General Fund for the Meadowview Biological Control Office Repairs and Laboratory Replacement project. This increase is being requested as the Governor's Budget request did not provide sufficient authority for the revised preliminary plans cost estimate created by the Department of General Services.

Needles Border Protection Station Reappropriation—It is requested that Item 8570-491 be added to reappropriate the Needles Border Protection Station: Relocation project (see Attachment 1). This extended availability for the acquisition and preliminary plans phases is needed due to complexities associated with the acquisition process which have resulted in project delays.

Center for Analytical Chemistry Reversion—It is requested that Item 8570-495 be added to revert \$2,867,000 one-time General Fund that was originally appropriated in the 2022 Budget Act for capital outlay costs to repurpose the Center for Analytical Chemistry facilities (see Attachment 2). The project was canceled due to costs that were higher than originally anticipated in the early stages of the project.

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

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

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Christopher Cabaldon, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Karen Ross, Secretary, Department of Food and Agriculture
Christine Birdsong, Undersecretary, Department of Food and Agriculture
Nathan Johnson, Budget Officer, Department of Food and Agriculture

8570-491—Reappropriation, California Department of Food and Agriculture. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure as June 30, 2026:

0001—General Fund

- (1) Item 8570-301-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021)
- (2) 0005081-Needles Border Protection Station: Relocation
 - (a) Acquisition
 - (b) Preliminary Plans

8570-495—Reversion, California Department of Food and Agriculture. As of June 30, 2025, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

(1) Item 8570-301-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)

(1) 0010289 - Center for Analytical Chemistry Building B Repurposing

(c) Construction



May 14, 2025

Honorable Scott D. Wiener, Chair
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Budget Bill Items 8660-001-0462, 8660-001-0471, and 8660-101-0471, and Addition of Item 8660-495, Support and Local Assistance, California Public Utilities Commission

Battery Energy Storage System Compliance and Enforcement—It is requested that Item 8660- 001-0462 be increased by \$3.7 million one-time in fiscal years 2025-26 and 2026-27, increased by \$2,949,000 and 12 positions ongoing beginning 2027-28 to support compliance and enforcement of safety standards for battery energy storage systems and energy generation facilities.

California Lifeline Program—It is requested that Item 8660-001-0471 be decreased by \$2,545,000 ongoing. State operations expenditures are projected to decrease due to cost savings generated by the California LifeLine Customer Portal and the California Department of Social Services CalFresh Confirm data portal used for applicant verification. The use of both portals is projected to streamline verifications and reduce mailing and printing costs.

Additionally, it is requested that Item 8660-101-0471 be increased by \$88,266,000 ongoing to support an estimated caseload increase of up to approximately 156,000 new California Lifeline Program participants in 2025-26. Local assistance resources will be used to provide eligible low- income households with discounts on home phone and cellphone services.

General Fund Solution: Community Renewable Generation and Storage—It is requested that Item 8660-495 be added to revert \$33 million from item 8660-001-0001 originally appropriated in the Budget Act of 2023 for Community Renewable Generation and Storage programs (see Attachment 1).

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

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

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

cc: Honorable Anna M. Caballero, Chair, Senate Appropriations Committee
Attention: Mark McKenzie, Staff Director
Honorable Roger W. Niello, Vice Chair, Senate Budget and Fiscal Review Committee
Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
Attention: Jay Dickenson, Chief Consultant
Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Benjamin Allen, Chair, Senate Budget and Fiscal Review Subcommittee No. 2
Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Rachel Peterson, Executive Director, California Public Utilities Commission
Ryan Dulin, Deputy Director, California Public Utilities Commission
June Landry, Director of Administrative Services, California Public Utilities Commission

8660-495—Reversion, Public Utilities Commission. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations shall revert to the balances in the funds from which the appropriations were made.

0001—General Fund

- (1) \$33,000,000 of the amount appropriated to support community renewable generation and storage-backed renewable generation programs in Provision 1 of Item 8660-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats., 2023).