



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

Amendments to Various Budget Bill Items, Support, Legislature

Legislature: State Appropriations Limit Adjustment—It is requested that the following Items be amended as follows to reflect the increase in the State Appropriations Limit:

- Item 0110-001-0001 be increased by \$12,471,000 ongoing
- Item 0120-011-0001 be increased by \$16,431,000 ongoing
- Item 0130-021-0001 reflects a net-zero adjustment between the following schedules:
 - Schedule (1) be increased by \$844,000 ongoing
 - Schedule (2) be decreased by \$422,000 ongoing
 - Schedule (3) be decreased by \$422,000 ongoing

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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
Gabriel Petek, Legislative Analyst
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Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, Statutory Changes, Judicial Branch

Implementation of Tribal Nations Access to Justice Act: Chapter 860, Statutes of 2024

(SB 549)—It is requested that Item 0250-111-0001 be increased by \$2,674,000 in fiscal year 2025-26, \$1,542,000 in 2026-27, and \$784,000 in 2027-28, and Item 0250-101-0932 be increased by \$2,674,000 in 2025-26, \$1,542,000 in 2026-27, and \$784,000 in 2027-28, for court workload resulting from lawsuits filed pursuant to Chapter 860, Statutes of 2024 (SB 549).

State Court Facilities Construction Fund Reimbursement Authority Increase—It is requested that Item 0250-001-3037 be amended to increase reimbursements by \$10.7 million ongoing. This is necessary to collect the counties' share of costs for increased utilities and maintenance expenditures.

Extended Liquidation for Lactation Room Construction—It is requested that Item 0250-493 be added to extend the liquidation period of \$7.2 million General Fund from Item 0250-001-0001, 2022 Budget Act, to provide public access to lactation rooms in courthouses. There have been project delays due to unforeseen circumstances identified during the planning review process and this extension is necessary to complete construction (see Attachment 1).

Extended Liquidation for Fire and Life Safety System Upgrades—It is requested that Item 0250-493 be added to extend the liquidation period of \$10 million General Fund from Item 0250-001-001, 2021 Budget Act, and \$40 million General Fund from Item 0250-001-0001, 2022 Budget Act, for two critical fire and life safety system projects at the Central Justice Center in Orange County and the San Diego East County Regional Center. This extension is necessary to complete construction following project delays (see Attachment 1).

Extended Liquidation for Remote Access to Courtroom Proceedings (AB 716)—It is requested that Item 0250-493 be added to extend the liquidation period of \$6,645,000 General Fund from Item 0250-001-0001, 2022 Budget Act, to support the implementation of Chapter 526, Statutes of 2021 (AB 716), which requires courts to provide minimum remote access to all courtroom proceedings. There have been project delays due to supply chain issues, limited vendor availability and ongoing Fire Life Safety projects limiting vendor access to open or available courtrooms. This extension is necessary for the implementation of improved public access to remote proceedings (see Attachment 1).

Reappropriation: Incompetent to Stand Trial Evaluation—It is requested that Item 0250-494 be added to reappropriate up to \$3,440,000 from Item 0250-001-0001, 2022 Budget Act, to support training and evaluator outreach activities aimed at improving the quality of Incompetent to Stand Trial evaluations. This extension is necessary to complete the development of training (see Attachment 2).

Reappropriation: Community Mental Health Services (SB 929)—It is requested that Item 0250-494 be added to reappropriate up to \$1.4 million from Item 0250-001-0001, 2023 Budget Act, to support the implementation of Chapter 539, Statutes of 2022 (SB 929). This extension is necessary to complete the development of a Community Mental Health dataset (see Attachment 2).

Trial Court Employee Benefit Adjustment—It is requested that Item 0250-111-0001 be decreased by \$8,968,000 ongoing and Item 0250-101-0932 be decreased by \$8,968,000 ongoing to reflect the updated health benefit and retirement rate changes for trial court employees.

State Court Facilities Construction Fund Backfill—It is requested that Item 0250-015-0001 be decreased by \$20 million in 2025-26 to reflect the updated General Fund backfill need based on the most current revenue estimates for 2025-26.

Technical Adjustment: Ability to Pay Backfill Reduction—It is requested that Item 0250-103-0001 be decreased by \$5,770,000 in 2025-26 and ongoing. This adjustment is necessary to align with the expenditures related to the backfill for the revenue loss due to the reductions and elimination of specified fines and fees.

Technical Adjustment: Intra-Schedule Transfer between Supreme Court and Judicial Council—It is requested that Item 0250-001-0001, Program 0130 Supreme Court, be increased by \$220,000 ongoing and Item 0250-001-0001, Program 0140 Judicial Council be decreased by \$220,000 ongoing for a net-zero technical adjustment.

Technical Adjustment: CARE Court Funding—It is requested that the following items be amended as follows to update the level of resources needed to implement the CARE Act. These adjustments are necessary to align expenditures with the revised estimated caseload included in the 2024 Budget Act:

- Item 0250-001-0001 be decreased by \$96,000 in 2025-26 and ongoing.
- Item 0250-101-0001 be decreased by \$1,840,000 in 2025-26 and ongoing.

Court Interpreter Program Provisional Language—It is requested that provisional language in Item 0250-101-0932 be amended to allow trial courts to utilize court interpreter program funding for the total number of coordinators required by each court, and to remove the requirement that coordinators must be certified or registered court interpreters (see Attachment 3).

The May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

Jury Duty Pilot Program (AB 1981)—It is requested that Item 0250-496 be added to revert up to \$14.2 million of unspent funds from 2023-24 and \$13.3 million from 2024-25 for the Jury Duty Pilot Program that was included in the 2023 Budget Act (see Attachment 4). Statutory changes are also proposed to end the pilot program and will be posted on the Department of Finance website.

Pretrial Release Program—It is requested that Item 0250-496 be added to revert up to \$20 million of unspent funds for the pretrial program included in the 2024 Budget Act (see Attachment 4). It is also requested that Item 0250-101-0001 be decreased by \$20 million in 2025-26 and ongoing, that provisional language be amended and added to allow for the reallocation of pretrial funding from one jurisdiction to another based on need, and to require the Judicial Council to include in its annual report to the Legislature any mid-year reallocations (see Attachment 5).

Trial Court Trust Fund Unrestricted Fund Balance—It is requested that Item 0250-012-0932 be increased by \$38 million in 2025-26 to transfer an unrestricted fund balance in the Trial Court Trust Fund to the General Fund.

Court Facilities Architectural Revolving Fund—It is requested that Item 0250-015-0001 be decreased by \$34,310,000 in 2025-26 and Item 0250-011-9733 be added to the account for the transfer of funds from the Court Facilities Architectural Revolving Fund to the State Court Facilities and Construction Fund thereby reducing the General Fund backfill needed in 2025-26.

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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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
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Attention: Kirk Feely, Fiscal Director
Honorable Buffy Wicks, Chair, Assembly Appropriations Committee
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Honorable Heath Flora, Vice Chair, Assembly Budget Committee
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Honorable Laura Richardson, Chair, Senate Budget and Fiscal Review Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Zlatko Theodorovic, Director of Budget Services, Judicial Council
Fran Mueller, Deputy Director of Budget Services, Judicial Council
Angela Cowan, Budget Manager, Budget Services, Judicial Council
Sarah Rattanasamay, Fiscal Supervisor, Judicial Council

0250-493—Reappropriation, Judicial Council. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended as specified below:

0001—General Fund

- (1) Up to \$10,000,000 in Item 0250-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), extended to June 30, 2027, appropriated for Fire Life Safety upgrades at the East County Regional Center and the Central Justice Center.
- (2) Up to \$7,200,000 in Item 0250-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), extended to June 30, 2026, appropriated for lactation rooms.
- (3) Up to \$40,000,000 in Item 0250-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), extended to June 30, 2027, appropriated for Fire Life Safety upgrades at the East County Regional Center and the Central Justice Center.
- (4) Up to \$6,700,000 in Item 0250-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), extended to June 30, 2027, appropriated for the implementation of Chapter 526, Statutes of 2021 (AB 716).

0250-494—Reappropriation, Judicial Council. The amount specified in the following citations are reappropriated for the purposes provided in those appropriations and shall be available for encumbrance or expenditure as specified below:

0001—General Fund

- (1) Up to \$3,440,000 in Schedule (3) and Schedule (5) of Item 0250-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), shall be available for encumbrance or expenditure until June 30, 2028, to continue a contract with the Department of State Hospitals for improvements to Incompetent to Stand Trial evaluations.
- (2) Up to \$1,400,000 in Item 0250-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), shall be available for encumbrance of expenditure until June 30, 2027, for implementation of Chapter 539, Statutes of 2022 (SB 929).

Amend Provision 17 of Item 0250-101-0932 as follows:

“17. The funds appropriated in Schedule (4) shall be for payments to contractual court interpreters and certified and registered court interpreters employed by the courts for services provided during court proceedings and other services related to pending court proceedings, including services provided outside a courtroom, and for court interpreter coordinator positions. ~~These funds are also available for the following court interpreter coordinator positions: 1.0 each in counties of the 1st through the 15th classes, 0.5 each in counties of the 16th through the 31st classes, and 0.25 each in counties of the 32nd through the 58th classes.~~ For the purposes of this provision, “court interpreter coordinators” may be full- or part-time court employees, ~~and shall be concurrently certified and registered court interpreters in good standing under existing law.”~~”

0250-496— Reversion, Judicial Council. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations, shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

- (1) Up to \$14,200,000 in Item 0250-001-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023) appropriated for the implementation of Chapter 326, Statutes of 2022 (AB 1981).
- (2) Up to \$13,300,000 in Item 0250-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) appropriated for the implementation of Chapter 326, Statutes of 2022 (AB 1981).
- (3) Up to \$20,000,000 in Item 0250-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) appropriated for pretrial release programs.

Add Provision 12.5 to Item 0250-101-0001 as follows:

12.5 The Judicial Council may reallocate unspent funds from counties to other counties with demonstrated needs.

Amend Provision 13 to Item 0250-101-0001 as follows:

“13. The Judicial Council shall provide an annual report to the Legislature providing an evaluation of pretrial programs and practices, and include any changes made to the pretrial allocation.”



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 0250-301-0001 and Addition of Statutory Changes, Capital Outlay, Judicial Branch

San Joaquin County: New Tracy Courthouse-Performance Criteria—It is requested that Item 0250-301-0001 be decreased by \$2,927,000 in fiscal year 2025-26 to remove the performance criteria appropriation that was included in the Governor's Budget for this project.

Statewide Budget Packages and Advanced Planning-Study—It is requested that Item 0250-301-0001 be decreased by \$500,000 in 2025-26 to remove the study appropriation that was included in the Governor's Budget for this project. It is also requested that provision 1 be eliminated.

Courthouse Surplus Property Disposition—It is requested that statutory changes be made to insert Government Code section 70397.1 to allow for the sale of four Judicial Branch properties in three cities. The properties are the Plumas/Sierra Regional Courthouse in Portola (estimated to be approximately \$700,000); the Modesto Main Courthouse and the Hall of Records in Modesto (estimated to be approximately \$2.3 million for both); and the Ceres Superior Courthouse in Ceres (estimated to be approximately \$400,000) for a total estimated amount of \$3.4 million. The Judicial Branch has determined that the four properties are no longer required for their programmatic needs. The sales proceeds would be deposited into the General Fund instead of the Special Fund for Economic Uncertainty (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 Koreen van Ravenhorst, 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
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Attention: Kirk Feely, Fiscal Director
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Robert Oyung, Chief Deputy Director, Judicial Council of California
Zlatko Theodorovic, Director, Budget Services, Judicial Council of
California
Fran Mueller, Deputy Director, Budget Services, Judicial Council of California
Tamer Ahmed, Deputy Director, Facilities Services, Judicial Council of California

Section 70397.1 is added to the Government Code, to read:

70397.1.

(a) Notwithstanding any other law, the Judicial Council may sell the property, in a fair market value transaction and upon the terms and conditions and subject to the reservations the Judicial Council deems in the best interests of the state, if all of the following requirements are satisfied:

- (1) The sale complies with Section 70391, as applicable.
- (2) The Judicial Council consults with the county in which the property is located concerning the sale of the property.
- (3) The Judicial Council offers the county in which the property is located the right to purchase the property in a fair market value transaction before otherwise offering the property for sale.

(b) Notwithstanding any other law, the net proceeds from the sale of the property shall be deposited into the General Fund.

(c) For purposes of this section, "property" means each of the following:

- (1) The Plumas/Sierra Regional Courthouse located at 600 South Gulling Street, City of Portola, County of Plumas, Assessor Parcel Number 126-050-046.
- (2) The Modesto Main Courthouse located at 800 11th Street, and the Hall of Records, located at 1100 I Street, City of Modesto, County of Stanislaus, collectively a portion of Assessor Parcel Number 105-025-001.
- (3) The Ceres Superior Court located at 2744 Second Street, City of Ceres, County of Stanislaus, Assessor Parcel Number 127-016-014.

(d) The disposition of the property authorized in this section does not constitute a sale or other disposition of surplus state property within the meaning of Section 9 of Article III of the California Constitution and is not subject to subdivision (g) of Section 11011.



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Attention: Elisa Wynne, Staff Director

Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to State Retirement Contributions to the Judges' Retirement System II, Support and Local Assistance, Judges' Retirement System—It is requested that state retirement

contributions to the Judges' Retirement System (JRS) II, be decreased by a total of \$5,390,000 ongoing. These changes comply 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. On February 19, 2025, the CalPERS Board approved a JRS II contribution rate of 22.62 percent for fiscal year 2025-26, a decrease from the 2024-25 rate of 23.79 percent. The decrease in the rate is because the fund is in a surplus position, so the unfunded liability portion of the rate is 0 percent.

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

If you have any questions or need additional information regarding this matter, please call Hanzhao Meng, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

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Attention: Mark McKenzie, Staff Director
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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
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government
Operations Agency
Michele Nix, Chief Financial Officer, California Public Employees' Retirement System
Willem (Will) Schaafsma, Chief, Division of Financial Planning, Policy and Budgeting,
California Public Employees' Retirement System
Stacy Guzman, Budget Manager, California Public Employees' Retirement System

May 14, 2025

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Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to and Addition of Various Budget Bill Items and Reimbursement, Support, Governor's Office of Business and Economic Development (GO-Biz)

Outsmart Disaster Program—It is requested that Item 0509-001-0001 be amended to increase reimbursement authority by \$230,000 one-time to allow the Office of the Small Business Advocate to administer a federal grant, in coordination with the California Academy for Economic Development, for the Outsmart Disaster Program. This program is a statewide awareness campaign focused on providing California businesses and communities with the resources they need to adequately prepare for and recover from all types of disasters and business interruptions.

State Trade Expansion Program—It is requested that provisional language be added to Item 0509-001-0001 to allow the Department of Finance to increase the General Fund appropriation by up to \$650,000 to meet the matching requirements of the federal funds award for the State Trade Expansion Program (see Attachment 1). The State Trade Expansion Program's objective is to help small businesses cover costs associated with entering international markets and overcoming obstacles to grow their exports.

Reappropriation: Containerized Ports Interoperability Grant Program—It is requested that Item 0509-491 be added to reappropriate up to \$700,000 from Item 0509-101-0001, 2022 Budget Act to complete the necessary reporting requirements for the Containerized Ports Interoperability grant program (see Attachment 2).

Reappropriation: Zero Emission Vehicles Operations Reappropriation—It is requested that Item 0509-491 be added to reappropriate up to \$2,153,000 from Item 0509-001-0001, 2024 Budget Act to provide GO-Biz an extension to expend resources for the Zero Emission Vehicles program. The 2024 Budget Act moved these resources to GO-Biz from the Governor's Office of Land Use and Climate Innovation. This reappropriation provides an encumbrance period through June 30, 2026, consistent with the initial appropriation (see Attachment 2).

Women's Business Center Enhancement Reappropriation—It is requested that Item 0509-491 be added to reappropriate up to \$240,000 from Item 0509-001-0001, 2022 Budget Act, to cover administrative costs for this grant program. These resources will allow GO-Biz to provide technical assistance to underserved small business owners who are facing capital and opportunity gaps and have limited access to small business resources (see Attachment 2).

The May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

California Competes Grant Program—It is requested that Item 0509-102-0001 be decreased by \$60 million one-time in fiscal year 2025-26 and Provision 1 be removed.

Performing Arts Equitable Payroll Fund—It is requested that Item 0509-495 be added to revert up to \$11.5 million of unspent funds in 2023-24 for the Performing Arts Equitable Payroll Fund that was reappropriated for this purpose (see Attachment 3).

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

If you have any questions or need additional information regarding this matter, please call Jessie Romine, Principal Program Budget Analyst, at (916) 445-8913.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Honorable Christopher Cabaldon, Chair, Senate Budget and Fiscal Review
Subcommittee No. 4
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Dee Dee Myers, Director, Governor's Office of Business and Economic Development
Emily Desai, Chief Deputy Director, Governor's Office of Business and Economic
Development
Philip Chen, Budget Officer, Governor's Office of Business and Economic Development

Add Provision 3 to Item 0509-001-0001:

3. Upon order of the Department of Finance, the amount available in Schedule (1) may be augmented by up to \$650,000 to cover the required state match to receive a federal award for the State Trade Expansion program. Any augmentation shall be authorized not sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations, the chairpersons of the committees and appropriate subcommittees that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine.

0509-491—Reappropriation, Governor's Office of Business and Economic Development. 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:

0001—General Fund

1. Up to \$240,000 in Item 0509-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
2. Up to \$700,000 in Item 0509-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).
3. Up to \$2,153,000 in Item 0509-001-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0509-495—Reversion, Governor's Office of Business and Economic Development. As of June 30, 2025, the balances specified below, of the appropriations provided in the following citations, shall revert to the fund balances of the funds from which the appropriations were made.

0001—General Fund

1. Up to \$8,000,000 of the amount appropriated for the Performing Arts Equitable Payroll Fund in Schedule (1) of Item 0509-101-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021) as reappropriated by Item 0509-491, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) and Item 0509-493, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).
2. Up to \$3,500,000 of the amount appropriated for the Performing Arts Equitable Payroll Fund in Schedule (1) of Item 0509-104-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 0509-491, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), and Item 0509-493, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).



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

Amendments to Budget Bill Item 0511-001-0001, Support, Government Operations Agency

The May Revision proposes adjustments to prior investments to assist in closing the projected shortfall. These adjustments include the following:

California Education Learning Lab Reduction—It is requested that Item 0511-001-0001 be decreased by \$5.5 million and 1 position in fiscal year 2025-26, and \$4 million General Fund in 2026-27, and ongoing. This adjustment reduces funding to the California Education Learning Lab program proposed in the Governor's Budget to provide savings to the General Fund.

California Education Interagency Council—It is requested that Item 0511-001-0001 be decreased by \$5 million in 2025-26, and ongoing. This adjustment reduces funding to the California Education Interagency Council proposed in the Governor's Budget to provide savings to the General Fund.

Below are the remaining adjustments included in the May Revision

Cradle-to-Career Data System Career Passport Resources—It is requested that Item 0511-001-0001 be increased by \$687,000 and 1 position in 2025-26, and \$187,000 and 1 position in 2026-27, and ongoing, to allow the Cradle-to-Career Data System to continue work on the Career Passport.

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 Danielle Brandon, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

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Operations Agency



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Honorable Jesse Gabriel, Chair
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

Amendment to Various Budget Bill Items and Reimbursements, Support, Business, Consumer Services, and Housing Agency Government Reorganization Plan

The 2025-26 May Revision proposes various budget adjustments associated with the Government Reorganization Plan for the Business, Consumer Services, and Housing Agency (BCSH). The creation of the new California Housing and Homelessness Agency (CHHA) and the new Business and Consumer Services Agency (BCSA) will be effective July 1, 2026. This proposal also reflects creation of the new Housing Development and Finance Committee (HDFC), the establishment the California Interagency Council on Homelessness (Cal ICH) as a standalone department, and other changes needed to effectuate the reorganization plan.

The intent of this reorganization is to establish a more effective administrative framework for addressing the full spectrum of the state's housing and homelessness challenges, and support focused consumer protection and regulatory efficiencies by fostering increased collaboration across the entities that oversee licensed professionals and businesses. The May Revision includes the necessary budget adjustments associated with the reorganization, detailed below, to begin implementation activities in fiscal year 2025-26. Future budgets will reflect additional actions necessary to implement the reorganization plan.

Creation of the New California Housing and Homelessness Agency—It is requested that Item 0515-001-0001 be increased by \$3,727,000 and 1.5 positions in 2025-26, \$3,963,000 and 6 positions in 2026-27, and \$3,813,000 and 6 positions in 2027-28 and ongoing to support the creation of the CHHA. Additionally, \$1,692,000 (\$420,000 General Fund and \$1,272,000 in reimbursement authority) and 11 positions will transfer from BCSH to the CHHA in 2026-27 and ongoing, increasing CHHA's budget to a total of \$5,655,000 in 2026-27 and \$5,504,000 in 2027-28 and ongoing. The CHHA will provide efficiencies in administering housing and homelessness resources and strengthen the state's focus on housing production, preservation, planning, and homelessness response.

Creation of the New Housing Development and Finance Committee—It is requested that Item 0515-001-0001 be increased by \$322,000 and 1 position in 2025-26 and \$2,253,000 and 6 positions in 2026-27 and ongoing to support the creation of the HDFC. The HDFC will centralize the allocation of developer-facing multifamily housing financing programs and coordinate resources and consolidate asset management functions across the new CHHA.

Transfer of Resources from the Department of Housing and Community Development Technical Adjustment for the HDFC—It is requested that \$1,552,000 and 9 positions will be transferred from the Department of Housing and Community Development to the HDFC in 2026-27. HDFC will be responsible for the coordination, alignment, and oversight of state affordable housing resources, including accelerating the creation of a single application for funding and award process.

Creation of the New California Interagency Council on Homelessness—Cal ICH will be established as its own business unit within the CHHA in 2026-27, with a distinction between Cal ICH staff responsible for handling operations and the new Executive Council. There will be no funding or position changes to Cal ICH in 2025-26 and it is planned that \$11,654,000 General Fund and 45 positions will transfer from the Cal ICH program within BCSH to the new Cal ICH business unit in 2026-27 and ongoing.

Creation of the New Business and Consumer Services Agency—It is requested that Item 0515-001-0001 be amended by increasing reimbursements by \$456,000 ongoing. It is also requested that the following items be decreased as indicated below for a total of \$222,000 ongoing to support the creation of the BCSA. Additionally, \$3.5 million from reimbursements and various special funds and 15 positions will transfer from BCSH to the new BCSA in 2026-27 and ongoing. The BCSA will focus on enhancing consumer protection and business regulation by reinforcing its licensing and support functions, improving and modernizing regulatory efficiency, and strengthening oversight.

- Item 0515-001-0299 be decreased by \$7,000
- Item 0515-001-0317 be decreased by \$58,000
- Item 0515-001-3036 be decreased by \$65,000
- Item 0515-001-3153 be decreased by \$10,000
- Item 0515-001-3363 be decreased by \$82,000

Department of Consumer Affairs Technical Adjustments for the New Business and Consumer Services Agency—It is requested that the following items be decreased as indicated below for a total of \$69,000 ongoing to reflect the changes to the Department of Consumer Affairs' existing baseline costs to support the creation of the BCSA.

- Item 1111-001-0069 be decreased by \$3,000
- Item 1111-001-0152 be decreased by \$1,000
- Item 1111-001-0310 be decreased by \$1,000
- Item 1111-001-0319 be decreased by \$1,000
- Item 1111-001-0704 be decreased by \$3,000
- Item 1111-001-0706 be decreased by \$1,000
- Item 1111-001-0741 be decreased by \$3,000
- Item 1111-001-0758 be decreased by \$6,000
- Item 1111-001-0759 be decreased by \$1,000

- Item 1111-001-0761 be decreased by \$8,000
- Item 1111-001-0767 be decreased by \$4,000
- Item 1111-001-0770 be decreased by \$1,000
- Item 1111-001-0773 be decreased by \$2,000
- Item 1111-001-0775 be decreased by \$1,000
- Item 1111-001-0777 be decreased by \$1,000
- Item 1111-001-0779 be decreased by \$2,000
- Item 1111-001-3017 be decreased by \$1,000
- Item 1111-002-0239 be decreased by \$2,000
- Item 1111-002-0305 be decreased by \$3,000
- Item 1111-002-0400 be decreased by \$1,000
- Item 1111-002-0421 be decreased by \$18,000
- Item 1111-002-0582 be decreased by \$2,000
- Item 1111-002-0717 be decreased by \$1,000
- Item 1111-002-3438 be decreased by \$2,000

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 Charlene Manning, Principal Program Budget Analyst, at (916) 445-8913 or Allison Hewitt, Principal Program Budget Analyst at (916) 322-2263.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable 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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Tomiquia Moss, Secretary, Business, Consumer Services, and Housing Agency
Melinda Grant, Undersecretary, Business, Consumer Services, and Housing Agency
Amy Manasero, Deputy Secretary, Fiscal Policy and Administration, Business, Consumer
Services, and Housing Agency
Gustavo Velasquez, Director, Department of Housing and Community Development
Zack Olmstead, Chief Deputy Director, Department of Housing and Community
Development
Matt Schueller, Deputy Director, Administration and Management, Department of Housing
and Community Development
Kimberly Kirchmeyer, Director, Department of Consumer Affairs
Nicole Le, Deputy Director of Administration, Department of Consumer Affairs
Taylor Schick, Chief Fiscal Officer, Department of Consumer Affairs
Robert de los Reyes, Asst. Chief Fiscal Officer, Department of Consumer Affairs



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 Various Budget Bill Items, Support, Secretary for Transportation Agency

California Office of Traffic Safety Federal Grants Workload—It is requested that Item 0521-001-0042 be increased by \$42,000 and 0.5 positions ongoing, Item 0521-001-0044 be increased by \$14,000 and 0.2 positions ongoing, Item 0521-001-0046 be increased by \$14,000 and 0.2 positions ongoing, and Item 0521-001-0890 be increased by \$801,000 and 2.1 positions ongoing. These resources will support the increase in workload related to additional federal grants issued to the California Office of Traffic Safety by the National Highway Traffic Safety Administration.

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 James Moore, Principal Program Budget Analyst, at (916) 322-2263.

JOE STEPHENSHAW
Director
By:

/s/ Erika Li

ERIKA LI
Chief Deputy Director

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Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
Honorable Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
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
Toks Omishakin, Secretary, California State Transportation Agency
James Hacker, Undersecretary, California State Transportation Agency
Carlos Quant, Deputy Director, California State Transportation Agency



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 0530-001-0890, 0530-001-3085, and 0530-001-9745, Support, California Health and Human Services Agency

Preschool Development Grant Award Authority Adjustment (Issue 065)—It is requested that Item 0530-001-0890 be increased by \$280,000 one-time to align federal fund authority with receipt of the Preschool Development Grant. See corresponding issue in the Department of Social Services' Finance Letter (Issue 144).

Behavioral Health Transformation: Behavioral Health Services Act Continued Implementation (Issue 079)—It is requested that Item 0530-001-3085 be increased by \$154,000 ongoing to support the California Health and Human Services Agency's coordination and implementation of behavioral health initiatives like Proposition 1. See related issues in the Department of Health Care Services (Issue 260), Department of Public Health (Issue 301), Department of Managed Health Care (Issue 46), and Department of Health Care Access and Information (Issue 112).

Child Welfare Services - California Automated Response and Engagement System (Issue 073)—It is requested that Item 0530-001-9745 be increased by \$15,015,000 one-time to align funding legislation already approved in the Department of Social Services' budget from prior Budget Acts. These funds are separate from the CWS-CARES project costs requested in the 2025-26 Governor's Budget proposal.

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 Shelina Noorali, Principal Program Budget Analyst, at (916) 445-6423.

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
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Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Corey Jackson, Chair, Assembly Budget Subcommittee No. 2
Honorable Akilah Weber Pierson, Chair, Senate Budget and Fiscal Review Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Kim Johnson, Secretary, California Health and Human Services Agency
Brendan McCarthy, Deputy Secretary of Program and Fiscal Affairs, California Health and Human Services Agency



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, California Natural Resources Agency

Gregory Bateson Building Rent Increase—It is requested that Item 0540-001-0140 be increased by \$328,000 in fiscal year 2025-26, \$340,000 in 2026-27, and \$380,000 ongoing to support increased rental costs at the newly renovated Gregory Bateson Building.

Proposition 68 Statewide Bond Costs—It is requested that Item 0540-001-6088 be increased by \$346,000 and 2 positions ongoing to assist departments with spatial data reporting and support contract resources to make upgrades to existing bond systems that will improve tracking and reporting of bond outcomes (see Attachment 1).

Climate Bond (Proposition 4): Implementation Positions—It is requested that Item 0540-001-6093 be increased by 3 positions ongoing and Item 0540-002-6093 be increased by 3 positions ongoing to support the effective implementation of various California Natural Resources Agency (CNRA) programs included in the Climate Bond.

Climate Bond (Proposition 4): Statewide Bond Costs—It is requested that Item 0540-003-6093 be added in the amount of \$562,000 in 2025-26, \$667,000 in 2026-27, \$853,000 in 2027-28, \$868,000 in 2028-29, and \$882,000 ongoing to provide CNRA with funding for statewide bond activities, including supporting bond accountability coordination, website and applications development, and systems integration. It is anticipated that \$400,000 will be needed in 2026-27 and \$1,297,000 in 2027-28 and ongoing for the Department of Finance Office of State Audits and Evaluation's costs of providing independent audits of Climate Bond expenditures, which are reimbursed by CNRA.

Natural Resources Agency Bond and Technical Proposals: Various Appropriations and Technical Adjustments—

It is requested that Item 0540-101-6051 be added in the amount of \$80,000 in 2025-26 to provide funding for competitive grants for the River Parkways Program and that provisional language be included to make funding available for encumbrance or expenditure until June 30, 2028 (see Attachment 2). It is also requested that Item 0540-001-6088 be amended to align provisional language with authorized bond amounts (see Attachment 1). Additionally, it is requested that the following items be added to support grant administration and close-out:

- Item 0540-490, to extend the encumbrance period of Items 0540-001-0001, Budget Act of 2022, 0540-102-0001, Budget Act of 2023, and 0540-101-6051, Budget Act of 2008 until June 30, 2027 (see Attachment 3).
- Item 0540-491, to extend the encumbrance period of Items 0540-001-0001 Budget Act of 2021, 0540-101-0183, Budget Act of 2015, 0540-101-0183, Budget Act of 2016, 0540-101-3228 Budget Act of 2017, 0540-101-6015, Budget Act of 2017, 0540-101-6083, Budget Act of 2017, until June 30, 2028 (see Attachment 4).
- Item 0540-492, to extend the liquidation period of Items 0540-101-0001, Budget Act of 2019, 0540-001-0140, Budget Act of 2018, 0540-001-6076, Budget Act of 2020, 0540-101-8058, Budget Act of 2020 until June 30, 2027 (see Attachment 5).
- Item 0540-493, to extend the liquidation period of Item 0540-102-0001, Budget Act of 2022 until June 30, 2028 (see Attachment 6).

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

If you have any questions or need additional information regarding this matter, please call Lizzie Urie, 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
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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 Corey Jackson, Chair, Assembly Budget Subcommittee No. 2
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Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Wade Crowfoot, Secretary, California Natural Resources Agency
Bryan Cash, Assistant Secretary of Administration and Finance, California Natural
Resources Agency
Amanda Martin, Deputy Assistant Secretary for Administration and Finance, California
Natural Resources Agency
Andrea Scharffer, Deputy Assistant Secretary for Bonds and Grants, Natural Resources
Agency
Julie Alvis, Deputy Assistant Secretary for Administration, Natural Resources Agency

Amend Item 0540-001-6088 as follows:

"0540-001-6088—For support of Secretary of the Natural Resources Agency, payable from the California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Fund...~~2,136,000~~ 2,277,000

Schedule:

(1) 0320-Administration of Natural Resources Agency...~~2,136,000~~ 2,277,000

Provisions:

1. The amount appropriated in this item shall be available to support the following:

(a) ~~\$165,000~~ \$150,000 shall be available for trails and greenway investments, consistent with subdivision (a) of Section 80080 of the Public Resources Code.

(b) \$164,000 shall be available for marine wildlife and healthy ocean and coastal ecosystems, consistent with subdivision (a) of Section 80120 of the Public Resources Code.

(c) \$144,000 shall be available for projects that assist coastal communities, consistent with subdivision (a) of Section 80133 of the Public Resources Code.

(d) ~~\$121,000~~ \$110,000 shall be available for multibenefit green infrastructure investments, consistent with subdivision (b) of Section 80137 of the Public Resources Code.

(e) ~~\$562,000~~ \$697,000 shall be available for multibenefit flood projects, consistent with paragraph (3) of subdivision (a) of Section 80145 of the Public Resources Code.

(f) ~~\$980,000~~ \$1,012,000 shall be available for statewide bond costs."

Attachment 2

0540-101-6051—For local assistance, Secretary of the Natural Resources Agency, payable from the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 ... \$80,000

Schedule:

0320-Administration of Natural Resources Agency

Provisions:

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

0540-490—Reappropriation, Secretary of Natural Resources Agency. 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 and expenditure until June 30, 2027:

0001—General Fund

(1) Item 0540-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Items 0540-490 and 0540-491, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), and Item 0540-494, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

(2) Item 0540-102-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023), including the funding transferred for administrative costs per Provision 1.

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

(1) Item 0540-001-6051, Budget Act of 2008 (Chs. 268 and 269, Stats. 2008), as reappropriated by Item 0540-490, Budget Act of 2011 (Ch. 33, Stats. 2011), Item 0540-490, Budget Act of 2014 (Chs. 25 and 663, Stats. 2014), Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), and Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

0540-491—Reappropriation, Secretary of the Natural Resources Agency. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2028:

0001—General Fund

Item 0540-001-0001, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 0540-490, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0183—Environmental Enhancement and Mitigation Program Fund

(1) Item 0540-101-0183, Budget Act of 2015 (Chs. 10 and 11, Stats. 2015), as reappropriated by Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017) and Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

(2) Item 0540-101-0183, Budget Act of 2016 (Ch. 23, Stats. 2016), as reappropriated by Item 0540-490, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017) and Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

3228—Greenhouse Gas Reduction Fund

(1) Item 0540-101-3228, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

6015—River Protection Subaccount

(1) Item 0540-101-6015, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

6083—Water Quality, Supply, and Infrastructure Improvement Fund of 2014

(1) Item 0540-101-6083, Budget Act of 2017 (Chs. 14, 22, and 54, Stats. 2017), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

0540-492—Reappropriation, Secretary of the Natural Resources Agency.
Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2027:

0001—General Fund

(1) Schedule 1(p) of Item 0540-101-0001, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

0140—Environmental License Plate Fund

(1) Item 0540-101-0140, Budget Act of 2018 (Ch. 29 and 30, Stats. 2018), as reappropriated by Item 0540-490, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

6076—California Ocean Protection Trust Fund

Item 0540-001-6076, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

8058—California Cultural and Historical Endowment Fund

(1) Item 0540-101-8058, Budget Act of 2020 (Chs. 6 and 7, Stats. 2020).

0540-493—Reappropriation, Secretary of the Natural Resources Agency.
Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended to June 30, 2028:

0001—General Fund

(1) Item 0540-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).



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, Secretary for Environmental Protection

Legal Resources to Respond to Federal Actions—It is requested that the following Items be increased by a total amount of \$296,000 ongoing and 1 permanent position to support increased litigation in response to federal legal challenges to environmental laws and regulations:

- Item 0555-001-0028 by \$174,000 and 0.7 positions
- Item 0555-001-0106 by \$28,000 and 0.1 positions
- Item 0555-001-0115 by \$37,000 and 0.1 positions
- Item 0555-001-0193 by \$11,000
- Item 0555-001-0226 by \$1,000
- Item 0555-001-0387 by \$4,000
- Item 0555-001-0439 by \$24,000 and 0.1 positions
- Item 0555-001-3058 by \$5,000
- Item 0555-001-3237 by \$12,000

California Environmental Protection Agency Bond and Technical Adjustments—It is requested that Item 0555-490 be added to extend the encumbrance period until June 30, 2026, for the following programs (see Attachment 1):

- **Audio-Visual Equipment Updates**—\$2,035,000 Air Pollution Control Fund from the 2022 Budget Act be reappropriated to provide additional time to cover contract costs associated with audio-visual equipment updates for CalEPA and its Boards, Departments, and Offices.
- **Environmental Justice Action Grants**—\$4 million General Fund from the 2022 Budget Act be reappropriated to provide additional time to encumber grant award funding for the Environmental Justice Action Grants 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: 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
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Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
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Honorable Steve Bennett, Chair, Assembly Budget Subcommittee No. 4
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Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Yana Garcia, Secretary, California Environmental Protection Agency
Catalina Hayes-Bautista, Undersecretary, California Environmental Protection Agency
Brandy Hunt, Deputy Secretary, California Environmental Protection Agency

0555-490—Reappropriation, Secretary for Environmental Protection. The amounts 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:

0001—General Fund

- (1) Up to \$4,000,000 of the amount appropriated in Item 0555-102-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for the Environmental Justice Action Grants program.

0115—Air Pollution Control Fund

- (1) Up to \$2,035,000 of the amount appropriated in Item 0555-001-0115, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for audio-visual equipment updates for CalEPA and its Boards, Departments, and Offices.



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 Item 0559-002-0001 and Addition of Item 0559-011-3078, Support, Labor and Workforce Development Agency

Regional Coordination for Career Education—It is requested that Item 0559-002-0001 be decreased by \$3 million one-time in fiscal year 2025-26. The 2025-26 Governor's Budget included \$4 million one-time General Fund in 2025-26 to support an evaluation of the expansion of regional collaboration models as part of the Master Plan for Career Education. This proposal will reduce the amount available for this purpose to \$1 million one-time General Fund, with the goal of leveraging additional philanthropic funding to support these activities.

Loan from Labor and Workforce Development Fund to General Fund—It is requested that Item 0559-011-3078 be added to provide a loan of \$400 million from the Labor and Workforce Development Fund to the General Fund. It is also requested that provisional language be added to authorize repayment of all or a portion of the loan under specified circumstances (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 Allison Hewitt, Principal Program Budget Analyst, at (916) 322-2263.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

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Honorable Heath Flora, Vice Chair, Assembly Budget Committee
Attention: Joseph Shinstock, Fiscal Director
Honorable Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Stewart Knox, Secretary, Labor and Workforce Development Agency
Jacque Roberts, Deputy Secretary Fiscal Policy and Administration, Labor and
Workforce Development Agency
Jay Sturges, Deputy Secretary Fiscal Policy and Administration, Labor and Workforce
Development Agency

Item 0559-011-3078—For transfer by the Controller, upon order of the Director of Finance, from the Labor and Workforce Development Fund, to the General Fund.....(400,000,000)

Provisions:

1. The Director of Finance may transfer up to \$400,000,000 as a loan to the General Fund. The director shall order the repayment of all or a portion of the loan if the director determines that either of the following circumstances exists: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall be repaid with interest calculated at the rate earned by the Pooled Money Investment Account at the time of transfer.



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, and Statutory Changes, Governor's Office of Land Use and Climate Innovation

Climate Bond (Proposition 4): Implementation Positions and Transformative Climate Communities Program Adjustments

—It is requested that Item 0650-001-6093 be increased by 4 positions ongoing to support the effective implementation of various Governor's Office of Land Use and Climate Innovation (LCI) programs included in the Climate Bond. It is also requested that Item 0650-101-6093 be increased by \$500,000 in fiscal year 2025-26 and decreased by \$500,000 in 2026-27 to provide technical assistance funding for the Transformative Climate Communities Program in 2025-26. In addition, it is requested that provisional language be added to make these funds available until June 30, 2030 (see Attachment 1).

Vulnerable Communities Definition Statutory Changes—It is requested that statutory changes be made to specify that the definition of vulnerable communities under the Integrated Climate Adaptation and Resilience Program have the same meaning as the definition of vulnerable communities adopted by the Integrated Climate Adaptation and Resiliency Program Technical Advisory Council in the most up to date "Defining Vulnerable Communities in the Context of Climate Adaptation" resource guide published by LCI. It is also requested that non-substantive updates be made to reflect the department's name change due to the recent reorganization.

General Plan Progress Report Submission Statutory Changes—It is requested that statutory changes be made to allow LCI to adopt format standards for annual General Plan Progress Reports submitted by local entities to enhance data usability and facilitate staff review of compliance with general plan guidelines. It is also requested that the adoption of such standards be exempted from the Administrative Procedures Act. It is also requested that non-substantive updates be made to reflect the department's name change due to the recent reorganization.

Various Technical Adjustments—It is requested that Item 0650-001-0890 be increased by \$1.1 million ongoing and Item 0650-101-0890 be increased by \$1,180,000 ongoing to provide sufficient authority for existing and anticipated federal grants. It is also requested that reimbursements in Item 0650-001-0001 be increased by \$3,350,000 ongoing to provide sufficient authority for an interagency agreement with the Governor's Office of Service and Community Engagement. In addition, it is requested that Item 0650-490 be added to extend the encumbrance period of Item 0650-001-0001, Budget Act of 2022 for the CEQAnet project until June 30, 2027 to allow the project to continue through the California Department of Technology's Project Approval Lifecycle process. CEQAnet is a database of all documents submitted to the State Clearinghouse, within LCI, pursuant to the California Environmental Quality Act (see Attachment 2).

California Education Learning Lab—The Governor's Budget proposed to decrease Item 0650-001-0001 by \$5.5 million and 1 position in 2025-26 and \$4 million ongoing and increase Item 0511-001-0001 by a like amount to effectuate the shift of the California Education Learning Lab from LCI to the Government Operations Agency. It is now requested that Item 0650-001-0001 be increased by \$250,000 and 1 position in 2025-26 to allow the California Education Learning Lab program to conclude at LCI.

Correction to 2024 General Fund Solutions—It is requested that Item 0650-495 be added to revert General Fund savings associated with solutions approved as part of the 2024-25 budget that were incorrectly scored in the 2024 Budget Act (see Attachment 3). It is also requested that Item 0650-490 be added to reappropriate \$10 million of the amount appropriated in the 2022 Budget Act for the Extreme Heat and Community Resilience Program, until June 30, 2027, that was incorrectly reverted in the Budget Act of 2024 (see Attachment 2).

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

If you have any questions or need additional information regarding this matter, please call Lizzie Urie, 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
Honorable Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Samuel Assefa, Director, Office of Land Use and Climate Innovation
William Robinson, Legislative Director, Office of Land Use and Climate Innovation
Vivian Su, Budget Officer, Office of Land Use and Climate Innovation

“0650-101-6093—For local assistance, Governor’s Office of Land Use and Climate Innovation, payable from the Safe Drinking Water, Wildfire Prevention, Drought Preparedness, and Clean Air Fund.....~~15,500,000~~ 16,000,000

Schedule:

(1) 0360-State Planning & Policy Development.....15,000,000

(2) 0370-Strategic Growth Council.....~~500,000~~ 1,000,000

Provisions:

1. The amount appropriated in Schedule (1) shall be available for the Extreme Heat and Community Resilience Program. These funds shall be available for encumbrance or expenditure until June 30, 2030.

2. Of the ~~the~~ amount appropriated in Schedule (2), \$500,000 shall be available for the Community Resilience Centers Program. These funds shall be available for encumbrance or expenditure until June 30, 2030.

3. Of the amount appropriated in Schedule (2), \$500,000 shall be available for the Transformative Climate Communities Program. These funds shall be available for encumbrance or expenditure until June 30, 2030.”

0650-490—Reappropriation, Governor's Office of Land Use and Climate Innovation. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2027:

0001—General Fund

(1) Item 0650-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), as reappropriated by Item 0650-490, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(2) \$10,000,000 of the amount appropriated for the Extreme Heat and Community Resilience Program in Item 0650-101-0001, Budget Act of 2022, as reverted by Item 0650-495, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0650-495—Reversion, Office of Land Use and Climate Innovation. 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) \$9,800,000 of the amount appropriated for the Regional Climate Collaboratives Program in Item 0650-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).

(4) \$10,000,000 of the amount appropriated for the ICARP Climate Adaptation and Resilience Planning Grants in Item 0650-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022).



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, Office of Emergency Services

Fire Fleet Vehicle Acquisition Technical Adjustment—It is requested that Item 0690-001-0001 be decreased by \$6,622,000 ongoing. It is also requested that Item 0690-003-0001 be added in the amount of \$6,622,000 ongoing with provisional language providing an extended encumbrance or expenditure period, until June 30, 2027. This is a technical, net-zero adjustment to separate ongoing baseline funding for fire fleet vehicle acquisitions into its own item (see Attachment 1).

State Emergency Telephone Number Account Augmentation Authority—It is requested that provisional language be added to Item 0690-001-0022 and Item 0690-101-0022 authorizing the Director of Finance to augment the amount appropriated in either item to reflect mid-year changes necessary to continue implementation of the Next Generation 9-1-1 system and support transition from the legacy 9-1-1 system, provided that no augmentations can result in the monthly 9-1-1 surcharge exceeding the rate in effect as of January 1, 2025 (see Attachment 2 and 3).

State and Local Cybersecurity Grant Program Funding Authority—It is requested that Item 0690-001-0890 be increased by \$605,000 one-time and Item 0690-101-0890 be increased by \$11,498,000 one-time to reflect federal funding awarded for the State and Local Cybersecurity Grant Program.

Federal Trust Fund Authority Adjustment for Receipt of Disaster Cost Reimbursements—It is requested that Item 0690-006-0890 be increased by \$654,928,000 one-time and Item 0690-106-0890 be increased by \$573,072,000 one-time to provide authority for the receipt of Federal Emergency Management Agency reimbursements for eligible disaster costs.

Climate Bond (Proposition 4) Implementation Positions—It is requested that Item 0690-008-6093 be increased by 4 positions ongoing to support the effective implementation of various Office of Emergency Services programs included in the Climate Bond.

Fire and Rescue Repositioning Technical Adjustment—It is requested that Item 0690-101-0001 be decreased by \$25 million ongoing and Provision 3 be removed from the Item. It is also requested that Item 0690-102-0001 be added in the amount of \$25 million ongoing with provisional language specifying the purpose of the funding and providing an extended encumbrance or expenditure period, until June 30, 2027. This is a technical, net-zero adjustment to separate ongoing baseline funding for the Fire and Rescue reposition program into its own item (see Attachment 4 and 5).

Various Liquidation Extensions—It is requested that Item 0690-492 be amended to extend the period to liquidate encumbrances of the following additional items until the dates specified below (see Attachment 6):

- Up to \$794,000 in Item 0690-001-0001, Budget Act of 2021, until June 30, 2027, to continue deferred maintenance for the California Specialized Training Institute.
- Up to \$3,009,000 in Item 0690-001-0001, Budget Act of 2022, until June 30, 2027, to purchase fire apparatuses.
- Up to \$2,023,000 in Item 0690-001-8039, Budget Act of 2021, until June 30, 2027, to purchase fire apparatuses.

Additionally, it is requested that provisional language be added to the existing Schedule (1) extending the period to liquidate encumbrances of Item 0690-101-0001, Budget Act of 2024, to make funds for the California Law Enforcement Mutual Aid System available for support or local assistance (see Attachment 6).

General Fund Solution: Flexible Cash Assistance for Survivors of Crime—It is requested that Item 0690-495 be amended to revert \$49,650,000 of the amount appropriated in Schedule (2), per Provision 7 of Item 0690-101-0001, Budget Act of 2022, for the Flexible Cash Assistance for Survivors of Crime grants program. It is also requested that this Item be updated to reflect the correct reversion date of June 30, 2025 (see Attachment 7).

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

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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Nancy Ward, Director, Office of Emergency Services
Christina Curry, Chief Deputy Director, Office of Emergency Services
Lisa Mangat, Chief Deputy Director, Office of Emergency Services

0690-003-0001—For support of Office of Emergency Services6,622,000

Schedule:

(1) 0380-Emergency Management Services6,622,000

Provisions:

1. The funds appropriated in this item are available to support fire fleet vehicle acquisition and shall be available for encumbrance or expenditure until June 30, 2027.

Add provision 1 to Item 0690-001-0022 as follows:

1. The Department of Finance may augment the amount appropriated in this item to reflect mid-year changes necessary to continue implementation of the Next Generation 9-1-1 system and support transition from the legacy 9-1-1 system. No augmentations shall be authorized pursuant to this item that would result in the monthly 9-1-1 surcharge exceeding the rate in effect as of January 1, 2025. Any augmentation shall be authorized no sooner than 30 days after written notification to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and appropriate subcommittees that consider the state budget, and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine.

Add provision 1 to Item 0690-101-0022 as follows:

1. The Department of Finance may augment the amount appropriated in this item to reflect mid-year changes necessary to continue implementation of the Next Generation 9-1-1 system and support transition from the legacy 9-1-1 system. No augmentations shall be authorized pursuant to this item that would result in the monthly 9-1-1 surcharge exceeding the rate in effect as of January 1, 2025. Any augmentation shall be authorized no sooner than 30 days after written notification to the chairperson of the committee in each house of the Legislature that considers appropriations, the chairpersons of the committees and appropriate subcommittees that consider the state budget, and the chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine.

Eliminate provision 3 from Item 0690 101-0001 as follows:

~~"3. Of the amount appropriated in Schedule (1), \$25,000,000 is available to support activities directly related to regional response and readiness. These activities include, but are not limited to, predeployment of the Office of Emergency Services' fire and rescue and local government resources that are part of the California Fire and Rescue Mutual Aid System or additional resources upon the authority and approval of the Office of Emergency Services to meet the requirements for state resources called up for pre-disaster and disaster response. Prepositioning shall be based upon pre-designated criteria and a predicted scale of the emergency event and shall be consistent with this state's current procedures under the mutual aid system. This funding shall be available for encumbrance or expenditure until June 30, 2027."~~

0690-102-0001—For local assistance, Office of Emergency Services25,000,000

Schedule:

(1) 0380-Emergency Management Services25,000,000

Provisions:

1. The funds appropriated in this item are available to support activities directly related to regional response and readiness. These activities include, but are not limited to, predeployment of the Office of Emergency Services' fire and rescue and local government resources that are part of the California Fire and Rescue Mutual Aid System or additional resources upon the authority and approval of the Office of Emergency Services to meet the requirements for state resources called up for predisaster and disaster response. Prepositioning shall be based upon predesignated criteria and a predicted scale of the emergency event and shall be consistent with this state's current procedures under the mutual aid system. This funding shall be available for encumbrance or expenditure until June 30, 2027.

Amend Item 0690-492 as follows:

“0690-492—Reappropriation, Office of Emergency Services. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended as specified below:

0001—General Fund

(0.1) Up to \$794,000 in Item 0690-001-0001, Budget Act of 2021 (Chs. 21, 69 and 240, Stats. 2021) for the California Specialized Training Institute deferred maintenance, extended until June 30, 2027.

(0.2) Up to \$3,009,000 in Item 0690-001-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022) for the purchase of fire apparatuses, extended until June 30, 2027.

(1) Up to \$23,704,000 in Item 0690-101-0001, Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024) for the California Law Enforcement Mutual Aid System, available for support or local assistance, and extended until June 30, 2029.

8039—Disaster Resistant Communities Account

(1) Up to \$2,023,000 in Item 0690-001-8039, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021), as reappropriated by Item 0690-491, Budget Act of 2022 (Chs. 43, 45, and 249 Stats. 2022) for the purchase of fire apparatuses, extended until June 30, 2027.”

Amend Item 0690-495 as follows:

"0690-495—Reversion, Office of Emergency Services. As of ~~June 30, 2024~~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) \$13,000,000 of the amount appropriated in Schedule (2) of Item 0690-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for a community-wide home hardening program or effort.

(2) \$49,650,000 of the amount appropriated in Schedule (2), per Provision 7 of Item 0690-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022), for grants to qualifying community-based organizations to provide direct assistance to eligible survivors."



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 0690-301-0001 and 0690-496, and Addition of Item 0690-491
Capital Outlay, Office of Emergency Services**

Relocation of Red Mountain Communications Site—It is requested that Item 0690-301-0001 be increased by \$40,145,000 one-time General Fund for the construction phase of this project and Item 0690-496 be amended to revert \$16,980,000 General Fund of existing authority for the construction phase, resulting in a net increase of \$23,165,000. This project experienced a failed bid in December 2024, and after interviews with bidders and additional analysis, the Department of General Services determined that site conditions at each tower location are more complicated than anticipated. For example, the project will require specialized vehicles to traverse narrow and remote access roads to deliver heavy equipment. At the Rattlesnake Ridge site, the construction of an on-site batch plant is required as the location is too remote and access road too steep for concrete delivery (see Attachment 1).

Mather: State Operations Center Modification—It is requested that Item 0690-491 be added to reappropriate \$7,236,000 General Fund for the construction phase of this project. The reappropriation is necessary to provide additional time for the department to encumber funding for a complex array of equipment, such as the video wall and computer systems, necessary for operation of the State Operations Center (see Attachment 2).

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

If you have any questions or need additional information regarding this matter, please call Randall Katz, 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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Nancy Ward, Director, Office of Emergency Services
Christina Curry, Chief Deputy Director, Governor's Office of Emergency Services
Lisa Mangat, Chief Deputy Director of Policy and Administration, Governor's Office of
Emergency Services
Eric Swanson, Deputy Director of Finance and Administration, Governor's Office of
Emergency Services

“0690-496—Reversion, Office of Emergency Services. As of June 30, 2025, the unencumbered balances of the appropriations provided in the following citations shall revert to the fund balances in the funds from which the appropriations were made:

0001—General Fund

(1) Item 0690-301-0001, Budget Act of 2023 (Chs. 12, 38, and 189, Stats. 2023).

(1) 0008390-Mather: Headquarters Checkpoint Security Enhancements

(a) Construction

(2) Item 0690-301-0001, Budget Act of 2024 (Chs. 22, 35 and 994, Stats. 2024).

(1) 0000121-Relocation of Red Mountain Communications Site, Del Norte County

(a) Construction”

Attachment 2

0690-491—Reappropriation, Office of Emergency Services. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2028:

0001—General Fund

(1) Item 0690-301-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)

(1) 0006751-Mather: State Operations Center Modification

(a) 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 and Addition of Various Budget Bill Items, Support, Department of Justice

Federal Accountability Workload—It is requested that the items listed below be amended by the ongoing amounts noted to provide the Department resources to defend the state against adverse actions by the federal government:

- Item 0820-001-0001 be increased by \$13,281,000 and 44 positions
- Item 0820-001-0012 be increased by \$44,000
- Item 0820-001-0017 be increased by \$338,000
- Item 0820-001-0044 be increased by \$73,000
- Item 0820-001-0367 be increased by \$46,000
- Item 0820-001-0378 be increased by \$38,000
- Item 0820-001-0460 be increased by \$73,000
- Item 0820-001-0567 be increased by \$30,000
- Item 0820-001-0890 be increased by \$81,000
- Item 0820-001-1008 be increased by \$19,000
- Item 0820-001-1030 be increased by \$3,000
- Item 0820-001-3016 be increased by \$10,000
- Item 0820-001-3053 be increased by \$67,000
- Item 0820-001-3086 be increased by \$261,000
- Item 0820-001-3088 be increased by \$49,000
- Item 0820-001-9740 be increased by \$4,000

California Law Enforcement Telecommunications System (CLETS) – Department of Motor Vehicle (DMV) Enhancements—It is requested that Item 0820-001-0001 be increased by \$3,132,000 in fiscal year 2025-26 and by \$1,096,000 in 2026-27 to establish a new connection between CLETS and information linked from DMV.

Department of Justice FI\$Cal Resources—It is requested that the items listed below be amended to continue the Department's transition to FI\$Cal from its legacy accounting system:

- Item 0820-001-0001 be increased by \$1,041,000 in 2025-26 and \$1,225,000 in 2026-27
- Item 0820-001-0012 be increased by \$54,000 in 2025-26 and \$66,000 in 2026-27
- Item 0820-001-0017 be increased by \$145,000 in 2025-26 and \$182,000 in 2026-27
- Item 0820-001-0044 be increased by \$49,000 in 2025-26 and \$60,000 in 2026-27
- Item 0820-001-0367 be increased by \$29,000 in 2025-26 and \$37,000 in 2026-27
- Item 0820-001-0378 be increased by \$26,000 in 2025-26 and \$33,000 in 2026-27
- Item 0820-001-0460 be increased by \$48,000 in 2025-26 and \$62,000 in 2026-27
- Item 0820-001-0567 be increased by \$21,000 in 2025-26 and \$26,000 in 2026-27
- Item 0820-001-0890 be increased by \$55,000 in 2025-26 and \$68,000 in 2026-27
- Item 0820-001-1008 be increased by \$13,000 in 2025-26 and \$16,000 in 2026-27
- Item 0820-001-1030 be increased by \$2,000 in 2025-26 and 2026-27
- Item 0820-001-3016 be increased by \$7,000 in 2025-26 and \$8,000 in 2026-27
- Item 0820-001-3053 be increased by \$46,000 in 2025-26 and \$57,000 in 2026-27
- Item 0820-001-3086 be increased by \$177,000 in 2025-26 and \$219,000 in 2026-27
- Item 0820-001-3087 be increased by \$165,000 in 2025-26 and \$204,000 in 2026-27
- Item 0820-001-3088 be increased by \$32,000 in 2025-26 and \$41,000 in 2026-27
- Item 0820-001-9731 be increased by \$753,000 in 2025-26 and \$929,000 in 2026-27
- Item 0820-001-9740 be increased by \$4,000 in 2025-26 and 2026-27

Juveniles: Sealing Records: Chapter 811, Statutes of 2024 (AB 1877)—It is requested that Item 0820-001-0001 be increased by \$2,428,000 and 4 positions in 2025-26 and by \$812,000 in 2026-27 and ongoing to implement the provisions of Chapter 811, Statutes of 2024 (AB 1877). It is also requested that provisional language be added to limit the Department's access to the funding until it submits the Stage 1 Business Analysis to the California Department of Technology (see Attachment 1).

Registry of Charities and Fundraisers Workload—It is requested that Item 0820-001-3088 be increased by \$1,204,000 and 8 positions ongoing to address the program workload within the Registry of Charities and Fundraisers that is within the Charitable Trusts Section of the Public Rights Division.

Reappropriations for Girl Scout Volunteer Background Checks—It is requested that Item 0820-490 be added to extend the encumbrance period of a \$500,000 one-time General Fund appropriation until June 30, 2026 (see Attachment 2). It is also requested that Item 0820-491 be added to extend the liquidation period of a \$5 million one-time General Fund appropriation until June 30, 2026 (see Attachment 3).

Technical Corrections to Various Budget Change Proposals in the 2025-26 Governor's Budget—It is requested that various Items be adjusted to reflect updates to cost estimates and net-zero changes to display administrative costs associated with each proposal. These technical adjustments include the following:

- Item 0820-001-0001 be decreased by \$312,000 and 20.5 positions in 2025-26, and be increased by \$24,000 and decreased by 4 positions in 2026-27 and ongoing
- Item 0820-001-0017 be increased by 4 positions in 2025-26 and ongoing

- Item 0820-001-0367 be decreased by \$164,000 in 2025-26 and \$160,000 in 2026-27 and ongoing
- Item 0820-001-0567 be increased by \$164,000 in 2025-26 and \$160,000 in 2026-27 and ongoing
- Item 0820-001-3087 be decreased by 0.5 positions in 2025-26 and ongoing.

These adjustments are associated with the following workload and chaptered legislation BCPs:

- Firearms Clearance Section Workload
- Firearms IT System Modernization (FITSM) Project
- Law Enforcement Notification Section-Carry Concealed Weapon Program
- License 2000 System Replacement Project
- Firearms: Storage (SB 53)
- Office of Gun Violence Prevention (AB 1252)
- California AI Transparency Act (SB 942)
- Carrier Passengers Act of 2024 (AB 2780)
- Consumer Debt: Medical Debt (SB 1061)
- Defending Democracy from Deepfake Deception Act of 2024 (AB 2655)
- Independent Institutions of Higher Education: Prohibition of Legacy and Donor Admissions Preference (AB 1780)
- Protecting Consumers Against False Advertising of Digital Goods (AB 2426)
- Protecting Our Kids from Social Media Addiction Act (SB 976)
- Public Disclosure of Generative Artificial Intelligence Training Data (AB 2013)

The May Revision proposes adjustments to prior investments and a loan to the General Fund, including:

Various Chaptered Legislation—It is requested that various Items be amended to withdraw proposals from the Governor’s Budget to implement Chapter 617, Statutes of 2024 (SB 1414); Chapter 287, Statutes of 2024 (SB 611); Chapter 782, Statutes of 2024 (SB 1161); and Chapter 662, Statutes of 2024 (AB 2695). These adjustments include the following:

- Item 0820-001-0001 be decreased by \$656,000 and 4 positions in 2025-26, \$519,000 and 4 positions in 2026-27, \$506,000 and 4 positions in 2027-28, and \$492,000 and 4 positions ongoing
- Item 0820-001-0012 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-0017 be decreased by \$5,000 in 2025-26 and ongoing
- Item 0820-001-0044 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-0367 be decreased by \$1,000 in 2025-26 and ongoing
- Item 0820-001-0378 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-0460 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-0567 be decreased by \$1,000 in 2025-26 and ongoing
- Item 0820-001-0890 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-3016 be decreased by \$1,000 in 2025-26 and ongoing
- Item 0820-001-3053 be decreased by \$2,000 in 2025-26 and ongoing
- Item 0820-001-3086 be decreased by \$3,000 in 2025-26 and ongoing
- Item 0820-001-3087 be decreased by \$6,000 in 2025-26 and ongoing
- Item 0820-001-3088 be decreased by \$1,000 in 2025-26 and ongoing

- Item 0820-001-9731 be decreased by \$43,000 in 2025-26, and \$41,000 in 2026-27 and ongoing

Unfair Competition Law Fund Loan—It is requested that Item 0820-011-3087 be added to provide a \$150 million budgetary loan from the Unfair Competition Law Fund to the General Fund. It is also requested that provisional language be added to specify the terms for repayment of the loan and that the loan is not subject to any interest charge at the time of repayment (see Attachment 4).

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 Mark Jimenez, Principal Program Budget Analyst, at (916) 445-8913.

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 Laura Richardson, Chair, Senate Budget and Fiscal Review
Subcommittee No. 5
Honorable James Ramos, Chair, Assembly Budget Subcommittee No. 6
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
Chris Ryan, Chief of Operations, Department of Justice
Michael Fong, Director of Fiscal Services, Department of Justice
Ashley Harp, Budget Officer, California Department of Justice

Add Provision 6 to Item 0820-001-0001:

6. Of the amount appropriated in Schedule (5), up to \$2,428,000 is allocated for the implementation of Chapter 811, Statutes of 2024. The expenditure of these funds is contingent upon the department's submittal of the Stage 1 Business Analysis to the Department of Technology as part of CDT's Project Approval Lifecycle process.

0820-490—Reappropriation, Department of Justice. The balances of the appropriations provided in the following citations are reappropriated for the purpose provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

- (1) Paragraph (13) of subdivision (l) of Section 19.56, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)

0820-491—Reappropriation, Department of Justice. Notwithstanding any other law, the period to liquidate encumbrances of the following citations is extended until June 30, 2026.

0001—General Fund

(1) Item 0820-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249 Stats. 2022)

0820-011-3087—For transfer by the Controller, upon order of the Department of Finance, from the Unfair Competition Law Fund to the General Fund as a loan, ~~2,000,000~~ (150,000,000) Provisions:

1. The Department of Finance may transfer up to \$150,000,000 as a loan to the General Fund. The Department of Finance shall order the repayment of all or a portion of the loan if it determines that either of the following circumstances exist: (a) the fund or account from which the loan was made has a need for the moneys, or (b) there is no longer a need for the moneys in the fund or account that received the loan. This loan shall not be subject to any interest charge at the time of repayment.



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 0840-001-0001, 0840-001-0970, and 0840-001-9740, and Addition of Item 0840-001-6094, Support, State Controller's Office

Annual Comprehensive Financial Report (ACFR) Engagement Team—It is requested that Item 0840-001-0001 be increased by \$2,440,000 in fiscal year 2025-26 and Item 0840-001-9740 be increased by \$1,560,000 in fiscal year 2025-26 for contracted resources to provide Generally Accepted Accounting Principles financial reporting assistance to various state departments to restore and sustain on-time publication of the state's ACFR. It is also requested that provisional language be added to Items 0840-001-0001 and 0840-001-9740 (see Attachment 1 and 2).

California State Payroll System Project—It is requested that Item 0840-001-0001 be increased by \$71,381,000 in fiscal year 2025-26 and \$2,321,000 and 12.2 positions ongoing and Item 0840-001-9740 be increased by \$45,635,000 in 2025-26 and \$1,482,000 and 7.8 positions ongoing to support project implementation. It is also requested that provisional language be added to Items 0840-001-0001 and 0840-001-9740 (see Attachment 3 and 4).

Unclaimed Property Management System Replacement Project Funding Realignment—It is requested that Item 0840-001-0970 be increased by \$1,025,000 in fiscal year 2025-26, \$729,000 in 2026-27, \$785,000 in 2027-26, \$842,000 in 2028-29, and \$900,000 ongoing for the maintenance and operation of the new system.

2024 State School Facilities Fund Technical Adjustment—It is requested that Item 0840-001-6094 be added in the amount of \$300,000 ongoing for program administrative costs related to the School Facilities 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 Dominick Guidera, Principal Program Budget Analyst, at (916) 445-5332.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Honorable Malia Cohen, State Controller
Regina Evans, Chief of Staff, State Controller's Office
Cathy Leal, Chief Operating Officer, State Controller's Office
Jennifer Chavez, Chief of Administration and Disbursements, State Controller's Office
Jennifer Urban, Chief of Budgets and Accounting, State Controller's Office
An-Vi Ching, Budget Officer, State Controller's Office

Add the following provision to Item 0840-001-0001:

17. Of the amount appropriated in this item, up to \$2,440,000 shall be allocated upon order of the Director of Finance for consulting services needed to provide Generally Accepted Accounting Principles financial reporting assistance to various state departments to restore and sustain on-time publication of the state's Annual Comprehensive Financial Report. The Department of Finance may adjust the amount allocated upon confirmation of the final executed contract.

Add the following provision to Item 0840-001-9740:

2. Of the amount appropriated in this item, up to \$1,560,000 shall be allocated upon order of the Director of Finance for consulting services needed to provide Generally Accepted Accounting Principles financial reporting assistance to various state departments to restore and sustain on-time publication of the state's Annual Comprehensive Financial Report. The Department of Finance may adjust the amount allocated upon confirmation of the final executed contract.

Add the following provision to Item 0840-001-0001:

18. Of the amount appropriated in this item, up to \$8,692,000 is provided for Department/Agency Readiness Team (DART) resources. The Controller, in consultation with the Department of Human Resources, shall work with payroll processing departments through its DART program to complete the organizational change management activities associated with the California State Payroll System (CSPS) information technology project. The Controller, in consultation with the Department of Finance, shall identify amounts to be allocated to each department for the 2025-26 fiscal year. Prior to any allocations to departments, the Controller must define the specific criteria that departments must meet to receive this funding and outline the specific project activities that require DART team involvement. The Controller shall require departments to submit requests for their respective allocations, including an agreement to use the funding to only support CSPS project-related activities. The Controller shall provide updates on DART funding allocations to the Legislature and the Legislative Analyst's Office through existing bimonthly briefings on the progress of the project and report final annual allocation amounts to the Department of Finance.

Add the following provision to Item 0840-001-9740:

3. Of the amount appropriated in this item, up to \$5,558,000 is provided for Department/Agency Readiness Team (DART) resources. The Controller, in consultation with the Department of Human Resources, shall work with payroll processing departments through its DART program to complete the organizational change management activities associated with the California State Payroll System (CSPS) information technology project. The Controller, in consultation with the Department of Finance, shall identify amounts to be allocated to each department for the 2025-26 fiscal year. Prior to any allocations to departments, the Controller must define the specific criteria that departments must meet to receive this funding and outline the specific project activities that require DART team involvement. The Controller shall require departments to submit requests for their respective allocations, including an agreement to use the funding to only support CSPS project-related activities. The Controller shall provide updates on DART funding allocations to the Legislature and the Legislative Analyst's Office through existing bimonthly briefings on the progress of the project and must report final annual allocation amounts to the Department of Finance.



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 0870-001-0001 and Reimbursements, Support, Office of Tax Appeals

Reimbursement Authority for Shared Office Space—It is requested that Item 0870-001-0001 be amended by increasing reimbursement authority by \$30,000 ongoing to the Office of Tax Appeals to share Fresno office space with the California Department of Human Resources.

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

If you have any questions or need additional information regarding this matter, please call Christopher Hill, Principal Program Budget Analyst, at (916) 445-3274.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Myriam Bouaziz, Director, Office of Tax Appeals
Jeanna Wimberly, Deputy Director, Office of Tax Appeals

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 Various Budget Bill Items, Support, Secretary of State

Voter Information Guide—It is requested that Special Items of Expense be established as a program within the Secretary of State. It is also requested that the following items be adjusted to effectuate this net-zero adjustment:

- Item 0890-001-0001 Schedule (2) decreased by \$15,149,000 in fiscal year 2025-26 and ongoing
- Item 0890-001-0001 Schedule (3.5) be increased by \$15,149,000 in 2025-26 and ongoing

It is also requested that provisional language be amended to identify the total amount of resources available to cover the costs for distribution of Voter Information Guides and Voter Registration Cards, and that provisional language be added to allow for current year augmentations to Schedule (3.5) by the amount necessary for parallel monitoring, election night reporting, and printing and mailing Voter Information Guides and Voter Registration Cards if sufficient resources are not available in the existing appropriation (see Attachment 1).

Office of State Publishing Warehouse and Voter Registration Card Printing Costs—It is requested that Item 0890-001-0001 be increased by \$2,143,000 in 2025-26 through 2027-28 to cover costs for the storage of paper used for the publication of the state Voter Information Guide and for assuming the printing of the Voter Registration Cards.

Help America Vote Act – 2025 Election Security Federal Grant—It is requested that Item 0890-001-0890 be increased by \$647,000 in 2025-26, and Item 0890-001-0001 be increased by \$130,000 in 2026-27 to allow the Secretary of State to accept the Federal Help America Vote Act Elections Security Grant and meet the 20 percent federal match requirement. These resources will support state implementation of election security safeguards and infrastructure against physical and cyber risks and vulnerabilities and improve voting technology and polling place accessibility.

Reappropriation: Voting Systems Replacement for Counties—It is requested that Item 0890-490 be added to reappropriate up to \$10,190,000 General Fund to support upgrades or replacement of county voting system equipment (see Attachment 2). Specifically, it is requested that up to \$2,742,000 General Fund from Item 0890-101-0001, in the 2018 Budget Act, and up to \$7,448,000 from Item 0890-101-0001, in the 2019 Budget Act be reappropriated. The 2021 Budget Act reappropriated \$39,400,000 General Fund from Item 0890-101-0001, in the 2018 Budget Act, and \$28,400,000 General Fund from Item 0890-101-0001, in the 2019 Budget Act for this purpose.

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 Jessie Romine, Principal Program Budget Analyst, at (916) 445-8913.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Shirley Weber, California Secretary of State
Tamara Johnson, Chief Financial Officer, Secretary of State
Jana Lean, Chief, Elections Divisions, Secretary of State
Joanna Southard, Assistant Chief, Elections Division, Secretary of State
Kristin Dagsher, Budget Section Manager, Fiscal Affairs Office, Secretary of State
Reginald Fair, Deputy Secretary of State, Operations

Amend Provision 2 of Item 0890-001-0001 as follows:

"2. Of the funds appropriated in this item, ~~\$17,292,000~~ \$15,149,000 is available for the following election-related activities:

- (a) Parallel Monitoring.
- (b) Printing and Mailing of Voter Information Guides.
- (c) Printing and Mailing of Voter Registration Cards.
- (d) Election Night Reporting.

Any unexpended funds pursuant to this provision shall revert to the General Fund. Upon order of the Department of Finance, the amount available in Schedule (3.5) may be augmented by the amount necessary to cover costs associated with parallel monitoring, printing and mailing of Voter Information Guides and Voter Registration Cards, and election night reporting. Any augmentation shall be authorized not sooner than 30 days after notification in writing to the chairpersons of the committees in each house of the Legislature that consider appropriations, the chairpersons of the committees and appropriate subcommittees that consider the State Budget, and the Chairperson of the Joint Legislative Budget Committee, or not sooner than whatever lesser time the chairperson of the joint committee, or the chairperson's designee, may determine."

0890-490—Reappropriation, Secretary of State. The amounts 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:

0001—General Fund

- (1) Up to \$2,742,000 of the amount appropriated for the Voting Systems Replacement for Counties in Schedule (1) of Item 0890-101-0001, Budget Act of 2018 (Chs. 29, and 30, Stats. 2018) as reappropriated by Item 0890-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).
- (2) Up to \$7,448,000 of the amount reappropriated for the Voting Systems Replacement for Counties in Schedule (1) of Item 0890-101-0001, Budget Act of 2019 (Chs. 23 and 55, Stats. 2019) as reappropriated by Item 0890-490, Budget Act of 2021 (Chs. 21, 69, and 240, Stats. 2021).



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 0950-001-0001, Support, State Treasurer's Office

Jesse Unruh Building Rent Increase—It is requested that Item 0950-001-0001 be increased by \$512,000 in fiscal year 2025-26 and \$1,575,000 in 2026-27 and ongoing to address the annual rent increase resulting from the renovation of the Jesse Unruh Building.

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 Greg Bruss, Principal Program Budget Analyst, at (916) 445-5332.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Honorable Fiona Ma, State Treasurer
Patrick Henning, Chief of Staff, State Treasurer's Office
Rebecca Grajski, Director of Administration, State Treasurer's Office
Karma Manni, Chief of Fiscal Services, State Treasurer's Office



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

Statutory Changes, ScholarShare Investment Board

Statutory Changes Requiring Schools to Share California Kids Investment and Development Savings (CalKIDS) Information—It is requested that statutory changes be added to Education Code section 52115.7 to specify that information about the CalKIDS Program be provided by local educational agencies to pupils, or the parents and guardians of pupils, in a similar manner to information provided about the Free Application for Federal Student Aid (FAFSA).

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 Jennifer Louie, Principal Program Budget Analyst, at (916) 445-0328.

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 John Laird, Chair, Senate Budget and Fiscal Review
Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Fiona Ma, California State Treasurer, State Treasurer's Office
Patrick Henning, Chief Deputy Treasurer, State Treasurer's Office
Becky Grajski, Director of Administration, State Treasurer's Office
Cassandra DiBenedetto, Executive Director, State Treasurer's Office
Karma Manni, Budget Manager, State Treasurer's Office



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

Addition of Budget Bill Item 0957-011-3403, Support, California Hope, Opportunity, Perseverance and Empowerment for Children Trust Account Program Board

It is requested that Item 0957-011-3403 be added in the amount of \$50 million for transfer from the California Hope, Opportunity, Perseverance, and Empowerment (HOPE) for Children Trust Account Fund to the General Fund. The remaining balance in the HOPE for Children Trust Account Fund will be \$80 million after the transfer. The HOPE program receives \$15 million General Fund ongoing for program development. The program, initially funded in the 2022 Budget Act, has yet to be fully established.

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 Gregory Bruss, Principal Program Budget Analyst, at (916) 322-5540.

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 Sharon Quirk-Silva, Chair, Assembly Budget Subcommittee No. 5
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
Honorable Fiona Ma, State Treasurer
Patrick Henning, Chief of Staff, State Treasurer's Office
Rebecca Grajski, Director of Administration, State Treasurer's Office
Karma Manni, Chief of Fiscal Services, State Treasurer's Office
Kasey O'Conner, Executive Director, The California Hope, Opportunity, Perseverance, and
Empowerment (HOPE) for Children Trust Account Program



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 0985-001-9735 and 0985-220-0001, Support and Local Assistance, and Eliminate Item 0985-001-9734, Support, California School Finance Authority

Charter School Facilities Program (Issues 21 and 22)—It is requested that Item 0985-001-9734 be eliminated, and that Item 0985-001-9735 be increased by \$1,021,000 and 3 positions ongoing 2006 State School Facilities Fund to reflect \$611,000 in administrative funding and \$410,000 for contracted external services for the California School Finance Authority to fulfill its requirements for the Charter School Facilities Program under the School Facility Program.

Charter School Facility Grant Program (Issues 27 and 28)—It is requested that Item 0985-220-0001 be decreased by \$1,714,000 ongoing Proposition 98 General Fund to reflect a decrease of \$133,000 ongoing Proposition 98 General Fund related to a 2.30 percent cost-of-living adjustment and a decrease of \$1,581,000 ongoing Proposition 98 General Fund to reflect updated projections for program participation. The Charter School Facility Grant Program provides funding to assist charter schools in paying for rent and lease expenditures that are either serving or located in attendance areas where a notable percentage of their students qualify for free or reduced-price meals.

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 Michelle Nguyen, Principal Program Budget Analyst, at (916) 445-0328.

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
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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 John Laird, Chair, Senate Budget and Fiscal Review Subcommittee No. 1
Honorable David Alvarez, Chair, Assembly Budget Subcommittee No. 3
Gabriel Petek, Legislative Analyst
Christopher W. Woods, Senate President pro Tempore's Office
Jason Sisney, Assembly Speaker's Office
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office
Katja Townsend, Capitol Director, Assembly Republican Leader's Office
Fiona Ma, California State Treasurer, State Treasurer's Office
Patrick Henning, Chief Deputy Treasurer, State Treasurer's Office
Rebecca Grajski, Director of Administration, State Treasurer's Office
Karma Manni, Budget Manager, State Treasurer's Office
Katrina Johantgen, Executive Director, California School Finance Authority