



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, Department of Human Resources**

**Classification Audit**—It is requested that Item 7501-001-0001 be increased by \$650,000 General Fund in fiscal year 2025-26 to conduct an audit of work performed by the California Association of Professional Scientists, Bargaining Unit 10 as required by its 2024 MOU.

It is further requested that provisional language be added as follows to conform to this action:

4. Of the funds appropriated in Schedule (1), up to \$650,000 is provided to support an audit of work performed by the California Association of Professional Scientists, Bargaining Unit 10. The Department of Finance may adjust this appropriation to ensure sufficient authority for the final audit contract. At that time, any unused funds shall be returned to the General Fund. The Director of Finance shall notify the Joint Legislative Budget Committee within 30 days of the adjustment.

**Statewide Recruitment, Outreach and Education Paid Media Campaign (AB 1511)**—It is requested that Item 7501-001-0001 be decreased by \$5,088,000 and 1 position in 2025-26, \$5,081,000 in 2026-27, 2027-28, and 2028-29, and \$81,000 ongoing, Item 7501-001-0821 be decreased by \$1,000 in 2025-26 and ongoing, Item 7501-001-0915 be decreased by \$11,000 in 2025-26 and ongoing, and Item 7501-001-0001 be decreased by \$67,000 in reimbursement authority in 2025-26 and ongoing. These requests propose adjustments to the Governor's Budget proposal which would have expanded CalHR's media outreach into ethnic and community media outlets in accordance with, Chapter 352, Statutes of 2024 (AB 1511).

**Learning Management System (LMS) Consolidation with CalHR and DGS**—It is requested that Item 7501-001-0001 be decreased by \$399,000 and 1 position in 2025-26 and \$392,000 ongoing. This request proposes adjustments to the Governor's Budget proposal which would consolidate three statewide training systems into one statewide LMS.

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: 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 Laura Richardson, Chair, Senate Budget and Fiscal Review  
Subcommittee No. 5  
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  
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government  
Operations Agency  
Eraina Ortega, Director, California Department of Human Resources  
Monica Erickson, Chief Deputy Director, California Department of Human Resources  
Helen Fairchild, Chief Operating Officer, California Department of Human Resources



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Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 7502-001-0001, Support, California Department of Technology**

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

**Office of Information Security's Advisory Services Program Virtual Chief Information Security Officer Service**—It is requested that Item 7502-001-0001 be reduced by \$500,000 in fiscal year 2025-26, and ongoing, to remove the establishment of the Virtual Chief Information Security Officer Service originally proposed in the Governor's Budget.

**Below are the remaining adjustments included in the May Revision:**

**California Compliance and Security Incident Reporting System**—It is requested that Item 7502-001-0001 be increased by \$2,030,000 in 2025-26 and \$316,000 in 2026-27, and ongoing, to replace the sunseting California Compliance and Security Incident Reporting System CDT uses for the state's data security.

**Mission Critical Collaborative Tools**—It is requested that Item 7502-001-0001 be increased by \$327,000 in 2025-26, and \$202,000 in 2026-27, and ongoing, to support increased demands for cloud-based collaboration and design tools used to support statewide technology initiatives, provide funding for a disaster response resource website, and provide ongoing integration for disaster relief with Digital Identification services.

**Accountability.ca.gov Transparency Initiative**—It is requested that Item 7502-001-0001 be increased by \$185,000 in 2025-26, and 2026-27, to support a digital transparency initiative designed to track and report local government performance on housing, homelessness, and behavioral health.

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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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  
Nick Maduros, Secretary, Government Operations Agency  
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government  
Operations Agency  
Liana Bailey-Crimmins, Director, California Department of Technology  
Jared Johnson, Chief Deputy Director, California Department of Technology  
Miles Burnett, Chief Administrative Officer, California Department of Technology



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Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Addition of Budget Bill Item 7504-001-9753 and Reimbursements, Support, Office of Data and Innovation**

**Data and Innovation Fund Appropriation**—It is requested that Item 7504-001-9753 be added in the amount of \$7.2 million one-time and \$2 million in reimbursements. It is also requested that provisional language be added to allow expenditures upon approval by the Secretary of the Government Operations Agency (see Attachment 1). Per Government Code section 12815(o)(1), the Data and Innovation Services Revolving Fund was continuously appropriated until July 1, 2024, and now requires a Budget Act appropriation to permit the Office of Data and Innovation to continue support for ongoing projects

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

Attachment

cc: On following page

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Honorable Buffy Wicks, Chair, Assembly Appropriations Committee  
Attention: Jay Dickenson, Chief Consultant  
Honorable Heath Flora, Vice Chair, Assembly Budget Committee  
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Honorable Christopher Cabaldon, Chair, Senate Budget and Fiscal Review  
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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  
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration,  
Government Operations Agency  
Jeffery Marino, Director, Office of Data and Innovation  
Eric Jarvis, Deputy Director, Office of Data and Innovation  
Tara Stevens, Head of Administration, Office of Data and Innovation

7504-001-9753—For support of Office of Data and Innovation, payable from the Data and Innovation Services Revolving Fund.....7,200,000

Schedule:

(1) 6271-Office of Data and Innovation.....9,200,000

(2) Reimbursements to 6271-Office of Data and Innovation.....-2,000,000

Provisions:

1. The amounts in this Item shall only be available for expenditure upon authorization by the Secretary of the Government Operations Agency.



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Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Items 7600-001-0001 and Reimbursements, and Addition of Items 7600-001-3407 and 7600-001-3418, Support, California Department of Tax and Fee Administration**

**Generation and Handling Fee Shortfall Reform**—It is requested that Item 7600-001-0001 be amended by increasing reimbursement authority by \$500,000 ongoing for the Department of Tax and Fee Administration's administration of the Generation and Handling Fee on behalf of the Department of Toxic Substances Control.

**Plastic Pollution and Packaging Producer Responsibility Act (Chapter 75, Statutes of 2022)**—It is requested that Item 7600-001-3407 be added in the amount of \$698,000 and 0.5 position ongoing for the workload associated with the passage of the Plastic Pollution and Packaging Producer Responsibility Act.

**Electronic Waste Recycling Fee Act of 2003: Covered Battery-Embedded Products (Chapter 370, Statutes of 2022)**—It is requested that Item 7600-001-3418 be added in the amount of \$1,061,000 and 0.5 position ongoing for the workload associated with the expanded Electronic Waste Recycling Fee Program and the new Covered Battery-Embedded Recycling Fee pursuant to the Electronic Waste Recycling Fee Act.

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

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Attention: Mark McKenzie, Staff Director  
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Honorable Buffy Wicks, Chair, Assembly Appropriations Committee  
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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  
Trista Gonzalez, Director, California Department of Tax and Fee Administration  
Jason Mallet, Chief Financial Officer, California Department of Tax and Fee Administration



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Honorable Jesse Gabriel, Chair  
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Addition of Item 7730-490, Support, Franchise Tax Board**

**Enterprise Data to Revenue 2 Reappropriation**—It is requested that Item 7730-490 be added to extend the encumbrance period of funding allocated in the 2024 Budget Act for the Enterprise Data to Revenue 2 project. Specifically, this language would extend the encumbrance period for \$21,314,000 of Item 7730-001-0001, Budget Act of 2024 from June 30, 2025, to June 30, 2026. These funds will be used for vendor compensation payments and necessary project work not originally anticipated (see Attachment 1).

**High-Speed Printer Reappropriation**—It is requested that Item 7730-490 be added to extend the encumbrance period for funding needed to replace the high-speed printer systems and software that Franchise Tax Board uses to print notices, bills, and correspondence. Specifically, this would extend the encumbrance period from June 30, 2025, to June 30, 2026, for \$2,283,000 from Item 7730-001-0001, Item 7730-001-0044, Item 7730-001-0064, and Item 7730-001-0242, Budget Act of 2024 (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 Christopher Hill, Principal Program Budget Analyst, at (916) 445-3274.

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

Chief Deputy Director

Attachment

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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  
Selvi Stanislaus, Director, Franchise Tax Board  
Roger Lackey, Chief Financial Officer, Franchise Tax Board

7730-490—Reappropriation, Franchise Tax Board. 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 \$14,540,000 for the Enterprise Data to Revenue Project – Phase 2 for unplanned work as appropriated to the Franchise Tax Board in item 7730-001-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (2) Up to \$6,774,000 for the Enterprise Data to Revenue Project – Phase 2 for vendor compensation as appropriated to the Franchise Tax Board in item 7730-001-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).
- (3) Up to \$2,250,000 for the high-speed printer as appropriated to the Franchise Tax Board in item 7730-001-0001 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0044—Motor Vehicle Account, State Transportation Fund

- (1) Up to \$6,000 for the high-speed printer as appropriated to the Franchise Tax Board in item 7730-001-0044 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0064—Motor Vehicle License Fee Account, Transportation Tax Fund

- (1) Up to \$11,000 for the high-speed printer as appropriated to the Franchise Tax Board in item 7730-001-0064 of the Budget Act of 2024 (Chs. 22, 35, and 994, Stats. 2024).

0242—Court Collection Account

- (1) Up to \$16,000 for the high-speed printer as appropriated to the Franchise Tax Board in item 7730-001-0242 of the Budget Act of 2024 (Chs. 22, 35, 994, Stats. 2024).



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Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Items 7760-001-0001 and 7760-001-0003, Support, Department of General Services**

**Updates to the Facility Inspection Tool**—It is requested that Item 7760-001-0001 be increased by \$50,000 in fiscal year 2025-26, available for two years to implement the California State Auditor's recommendations to update the Facility Inspection Tool.

**New Parking Facilities**—It is requested that Item 7760-001-0003 be increased by \$1,535,000 in 2025-26, and \$1,019,000 in 2026-27, and ongoing, to activate new parking areas for state employees.

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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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  
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government  
Operations Agency  
Ana Lasso, Director, Department of General Services  
Jennifer Osborn, Chief Deputy Director, Department of General Services  
Katherine Minnich, Deputy Director of Administration, Department of General  
Services  
Heather Carlson, Chief Financial Officer, Department of General Services



May 14, 2025

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Attention: Christian Griffith, Chief Consultant

**Addition of Budget Bill Item 7870-490, Support, California Victim Compensation Board**

**Reappropriation: Trauma Recovery Center Grants**—It is requested that Item 7870-490 be added to extend the encumbrance date of a one-time appropriation from July 1, 2025, to June 30, 2026, to allow the California Victim Compensation Board to carry out the last round of grants to Trauma Recovery Centers, as provided in Provisions 2 through 6 of Item 7870-101-0001 in the 2022 Budget Act (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 Mark Jimenez, 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 Buffy Wicks, Chair, Assembly Appropriations Committee  
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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 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  
Lynda Gledhill, Executive Officer, California Victim Compensation Board  
Natalie Mack, Chief Deputy Executive Officer, California Victim Compensation Board  
Shawn Ramirez, Deputy Executive Officer, California Victim Compensation Board



7870-490—Reappropriation, California Victim Compensation Board. The balances of the appropriations provided in the following citations are reappropriated for the purposes provided for in those appropriations and shall be available for encumbrance or expenditure until June 30, 2026:

0001—General Fund

- (1) Provisions 2, 3, 4, 5, and 6 of Item 7870-101-0001, Budget Act of 2022 (Chs. 43, 45, and 249, Stats. 2022)

May 14, 2025

Honorable Scott D. Wiener, Chair  
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Honorable Jesse Gabriel, Chair  
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to Various Budget Bill Items Support and Local Assistance, and Statutory Changes, California Public Employees' Retirement System**

**Operational Budget**—It is requested that various Budget Bill items be amended to reflect the changes to the fiscal year 2025-26 operational budget of the California Public Employees' Retirement System (CalPERS) that was approved by the CalPERS Board on April 15, 2025. The budget proposed by CalPERS reflects a net increase of \$167,340,000, primarily attributed to increased administrative and investment operating costs, investment external management fees, and third-party administrator fees. The request is comprised of the following changes:

- Item 7900-003-0830 be increased by \$145,934,000
- Item 7900-015-0815 be increased by \$50,000
- Item 7900-015-0820 be decreased by \$14,000
- Item 7900-015-0830 be increased by \$21,149,000
- Item 7900-015-0833 be increased by \$93,000
- Item 7900-015-0849 be increased by \$8,000
- Item 7900-015-0884 be increased by \$106,000
- Item 7900-015-9251 be increased by \$14,000

The Budget Bill items noted above are display items for informational purposes to reflect the corresponding changes in CalPERS' continuous appropriation authority.

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

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Chief Deputy Director

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Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office  
Katja Townsend, Capitol Director, Assembly Republican Leader's Office  
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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Attention: Christian Griffith, Chief Consultant

**Amendment to Budget Bill Item 7920-011-0001, Support, California State Teachers' Retirement System**

**State Contributions to CalSTRS**—It is requested that Item 7920-011-0001 be increased by \$7,184,000 ongoing, to reflect an increase in the state's contributions to the California State Teachers' Retirement System's (CalSTRS) Defined Benefit (DB) Program and Supplemental Benefit Maintenance Account (SBMA). The state's contributions to the DB Program and SBMA are calculated using creditable compensation provided by the Teachers' Retirement Board (Board) for the fiscal year immediately preceding June 30; the report is published annually by the Board by October 25, with a subsequent report due by April 15, displaying necessary revisions to creditable compensation. Based on the Board's April 11, 2025 creditable compensation report, the DB contribution will be increased by \$5,525,000 and the SBMA contribution will be increased by \$1,659,000, as compared to the Governor's Budget.

**Benefit Payment Revisions**—It is requested that Item 7920-011-0001 be increased by \$908,000 ongoing, to reflect the state's share of overpayments identified by the system to be paid on July 1, 2025, as required by Education Code Section 24616.2. Based on the overpayments identified by CalSTRS from the prior fiscal year, the state's share of costs for overpayments made as a result of errors by the system will be \$908,000, as compared to \$0 in the Governor's Budget.

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

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

JOE STEPHENSHAW

Director

By:

/s/ Erika Li

ERIKA LI

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Katja Townsend, Capitol Director, Assembly Republican Leader's Office  
Justyn Howard, Deputy Secretary, Fiscal Policy and Administration, Government  
Operations Agency  
Julie Underwood, Chief Financial Officer, California State Teachers' Retirement System  
Art Martinez, Director of Financial Planning and Reporting, California State Teachers'  
Retirement System  
Anela Hanohano-Kjer, Budget Officer, California State Teachers' Retirement System