



**Judiciary, Corrections, State Administration
and General Government**

2013-14

**Budget Conference Committee
on AB 110**

Senator Mark Leno, Chair

Assembly Member Bob Blumenfield, Vice Chair

**Members: Assembly Member Jeff Gorell, Assembly Member Holly Mitchell, and Assembly Member Nancy Skinner
Senator Kevin de León, Senator Bill Emmerson, and Senator Loni Hancock**

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
<u>Judiciary, Corrections, State Administration and General Government</u>		
0250	Judicial Branch	
	State Judiciary and Trail Court Augmentation	1
	Eliminate Sunset Date for Public Presentation of Trail Court Budgets	2
	Court Efficiencies and Associated Revenue	3
	Civil Interpreter Pilot Program	4
0509	Governor’s Office of Business & Economic Development	
	California Small Business Expansion Fund.....	5
0515	Business, Consumer Services, and Housing Secretary	
	Add Secretary to the Strategic Growth Council	6
	Homelessness Housing Policy Position.....	7
0860	Board of Equalization	
7730	Franchise Tax Board	
	Limit on Attorneys’ Fees	8

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
0860	Board of Equalization	
	Costs Associated with Membership in Multi-State Tax Commission.....	9
	Enhancement of E-Services	10
	Information on Local Parcel Taxes.....	11
	Accounts Receivable Inventory Reduction.....	12
	Clarify Sales Tax on Software	13
	Joint Operations Center – Fuel Tax Compliance.....	14
1690	Seismic Safety Commission	
	Permanent Funding Source for the Commission	15
2240	Department of Housing and Community Development	
	Extension of Liquidation Period for Infill Incentive and Transit Oriented Development	
	Grant Funds.....	16
	Transit Oriented Development Re-encumbrance Technical Adjustment.....	17
	Housing Element Review	18
	Enterprise Zones Trailer Bill Language Prohibiting the Misuse of Claims	19
	Emergency Housing and Assistance Program	20
	Housing-Related Parks Program.....	21

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
5225	Department of Corrections and Rehabilitation	
	Augmentation for Department of Justice Legal Services	22
	Rehabilitation Funding Reappropriation	23
	Integrated Services of Mentally Ill Parolees (ISMIP) and Medi-Cal Expansion (Errata).....	24
6645	Health Benefits for California State University Annuitants	
	Health Rates for Retired California State University (CSU) Annuitants	25
7350	Department of Industrial Relations	
	Supplemental Reporting Language for DIR Funds	26
7501	Department of Human Resources	
	Extension of Examination and Certification Online System Project	27
7730	Franchise Tax Board	
	Internal Revenue Code Section 1031 Like-Kind Exchanges	28
	Costs Associated with Membership in Multi-State Tax Commission.....	29
	Economic Development Reform Proposal	30
7870	Victim Compensation and Government Claims Board	
	Trauma Recovery Center	31

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
7920	California State Teachers' Retirement System Information Technology Reappropriation	32
8820	Commission on the Status of Women General Fund Augmentation for the Commission on the Status of Women.....	33
8885	Commission on State Mandates Mandate Suspension without Statewide Cost Estimates: (303a) Public Records Act Mandate	34
	(303b) Local Agency Ethics Mandate	35
8955	California Department of Veterans Affairs Rector Reservoir	36
	Veterans Claims Backlog.....	37
	Central Coast State Veterans Cemetery at Fort Ord.....	38
	County Veteran Services Officers (CVSOs)	39
9210	Local Government Financing Local Economic Development Tools	40
9650	Health and Dental Benefits for Annuitants Health and Dental Rates for Retired State Employees	41

Table of Contents

<u>Item #</u>	<u>Title</u>	<u>Page</u>
9800	Employee Compensation Augmentation for Employee Compensation.....	42
<u>Control Sections:</u>		
3.60	Public Employees' Retirement Benefits Contribution to Public Employees Retirement Benefits.....	43
8.56	Federal Sequestration Funding Reductions Reductions in Federal Funding Due to Sequestration and Other Actions.....	44
35.21	General Fund Accrual Methodology Application of Net Final Payment Accrual Methodology.....	45
7502	Technology Department Information Technology Procurement Transfer (Errata).....	46

0250**Judicial Branch**

Issue	Description	Difference (dollars in thousands)	Conference Action
0250-001-0001			
0250-101-0932			
0250-111-0001	Judicial Branch		
306	State Judiciary and Trial Court Augmentation	Senate	Over the last five years, the judicial branch
310	Governor	\$100,000	has received ongoing General Fund
	The Administration took no action on this item.	Assembly	reductions totaling \$778 million. Of this
	Senate	\$100,000	amount, \$54 million were allocated to the
	The Senate augmented funding for support of court operations by \$100 million, providing \$6 million for appellate court operations (\$1 million for the Supreme Court, \$4.7 million for the Courts of Appeal, and \$300,000 for the Habeas Corpus Resource Center) and \$94 million for trial court operations.	BBL	state-level courts and branch entities, while
	Assembly	Difference	the trial courts. Various one-time and
	Augmented funding for support of trial court operations by \$100 million and adopted budget bill language specifying that the funding shall be allocated based on the Judicial Council's recently approved allocation methodology and made available to an individual court only upon receipt of a plan for spending the funding on activities intended to maintain or increase public access to justice. Adopted trailer bill language to require the Judicial Council to publically notice all Administrative Office of the Court's working groups and open the meetings up to the public and notice the Legislature when spending the statewide 2% fund.	\$0	ongoing solutions have been used to offset
		TBL + BBL	most of the reductions to the trial courts.
			Even so, in the last couple of fiscal years, trial courts have had to take actions to absorb over \$200 million of these reductions. These actions include closing courtrooms or courthouses, reducing clerk office hours, and reducing self-help and family law services.

0250	Judicial Branch	Difference (dollars in thousands)	Conference Action
Issue	Description		
0250-101-0932	Judicial Branch		
000	<p>Eliminate Sunset Date for Public Presentation of Trial Court Budgets</p> <p>Governor The Administration took no action on this item.</p> <p>Senate The Senate took no action on this item.</p> <p>Assembly Adopted trailer bill language to eliminate the January 1, 2017 sunset date on the requirement that trial courts, prior to adopting an annual budget, provide public notice and an opportunity for public input on the trial court's proposed budget plan.</p>	<p>Senate \$0</p> <p>Assembly \$0</p> <p>TBL</p> <p>Difference \$0</p> <p>TBL</p>	<p>Assembly Bill 973 (Chapter 687, Statutes of 2011) added Section 68511.7 to the Government Code (GC) to require for public notice of and comment on each trial court's annual budget. GC Section 68511.7 sunsets on January 1, 2017.</p>

0250	Judicial Branch			
Issue	Description	Difference (dollars in thousands)	Conference Action	
0250-101-0932 Judicial Branch				
302	Court Efficiencies and Associated Revenue	Senate	The Judicial Council proposed these efficiencies and fees in order to assist trial courts in absorbing prior funding reductions. While many of the fees provide workload relief or additional funding to courts, there have been numerous concerns raised regarding impacts on other stakeholders. Of the proposals still under consideration, the press is concerned with the increased copy and comparison fees and public defenders are concerned with the preliminary hearing transcript proposal.	
	Governor Proposed 11 efficiencies or fees resulting in \$6.3 million in fee revenue.	\$6,320		
	Senate 1) Adopted court-ordered debt collection, court-appointed dependency counsel, copies or comparisons of files, exemplification of a record, small claims, mailing, and trial by written declaration, 2) adopted preliminary hearing transcripts – modified to allow a local court, by rule, to require counsel to make a request for preliminary hearing transcripts and adopted records search – modified to exempt press from new fee, and 3) adopted \$6.3million in increased fee revenue.	Assembly	\$365	TBL
	Assembly 1) Adopted court-ordered debt collection, Exemplification of a record, and small claims mailing, 2) adopted court-appointed dependency counsel – modified to clarify that when a waiver is not approved, a parent shall be able to seek a court hearing and, 3) adopted \$365,000 in increased fee revenue.	Difference	\$5955	TBL

0250	Judicial Branch	Difference (dollars in thousands)	Conference Action
Issue	Description		
0250-101-0932	Judicial Branch		
312	Civil Interpreter Pilot Program	Senate	Although existing law authorizes courts to assign interpreters already employed for criminal and juvenile cases to civil cases
	Governor	\$0	for a fee, when their services are not
	The Administration took no action on this item.	Assembly	otherwise required in criminal or juvenile
	Senate	\$6,000	cases, court interpreters in civil cases are
	The Senate took no action on this item.	BBL	not routinely provided, as a matter of right.
	Assembly	TBL	
	Adopted trailer bill language and \$6 million (from previously unexpended funds) in support of a civil interpreter pilot project intended to provide in-person interpreter services in three selected counties.	Difference	The annual budget for the Trial Court
		\$6,000	Interpreter's program is \$92.2 million.
		BBL	However, the courts have not expended this
		TBL	amount in recent years, leaving a balance in the fund in excess of the cost of this pilot.

0509**Governor's Office of Business & Economic Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
0509-001-0001	Governor's Office of Business and Economic Development		
310	California Small Business Expansion Fund		Senate
	Governor had no proposal.	\$0	
	Senate did not hear this issue.		Assembly
	Assembly approved funding of \$2.0 million GF for administration of small business loan within the Governor's Office of Business and Economic Development (GOBiz).	\$2,000	
		Difference	
		-\$2,000	

0515**Business, Consumer Services, and Housing Secretary**

Issue	Description	Difference (dollars in thousands)	Conference Action
0515-001-0001	Business Consumer Services and Housing Secretary		
252	Add Secretary to the Strategic Growth Council	Senate \$	
	Governor did not offer a proposal related to this item.		
	Senate did not consider a proposal related to this item	Assembly \$	
	Assembly adopted trailer bill language to add the Secretary of the Business, Consumer Services, and Housing Agency to the Strategic Growth Council, established pursuant to SB 732 (Chapter 729, Statutes of 2008)	Difference \$	

0515**Business, Consumer Services, and Housing Secretary**

Issue	Description	Difference (dollars in thousands)	Conference Action
251	Homelessness Housing Policy Position	Senate \$	
	Governor did not offer a proposal related to this issue.		
	Senate did not take any action related to this item.	Assembly \$223	
	Assembly adopted placeholder trailer bill language to provide a Deputy Secretary of Homelessness Housing Policy position at the Business, Consumer Services, and Housing Agency. The position would be funded with General Fund dollars and be responsible for the interagency coordination and leveraging federal funds to reduce homelessness.	Difference \$223	

0860 / 7730 Board of Equalization / Franchise Tax Board

Issue	Description	Difference (dollars in thousands)	Conference Action
0860-001-0001 7730-001-0001	Board of Equalization Franchise Tax Board		
TBL	Limit on Attorneys' Fees		Senate
	<p>Governor proposed trailer bill language that would make the Revenue & Taxation Code the exclusive means through which to attorneys' fees on tax cases could be awarded and would limit these fees to an hourly rate of \$160. The proposal would generally conform to federal law.</p>		Adopted Revised TBL
			Assembly
			Rejected Proposed
	<p>Senate adopted revised trailer bill language that would increase the allowable hourly fee to \$400, specify that the constitutional obligation to defend a statute would not be sufficient justification for the state to defend itself against the payment of fees, and only allow the payment of fees in situations where the prevailing party's net worth does not exceed \$2.0 million for an individual and \$7.0 million for a business.</p>		TBL
			Difference
			TBL
	<p>Assembly rejected the proposed trailer bill.</p>		

0860**Board of Equalization**

Issue	Description	Difference (dollars in thousands)	Conference Action
0860-001-0001	Board of Equalization		
107	Costs Associated with Membership in Multi-State Tax Commission	Senate	
		-\$270	
	Background: In conjunction with an apportionment of income issue, California dropped its membership in this cross-state tax organization.	Assembly	
		\$0	
	Governor had no proposal.		
	Senate took action to reduce the department's budget in an amount equal to the fees for membership in the organization.	Difference	
		-\$270	
	Assembly did not hear this issue.		

0860 Board of Equalization

Issue	Description	Difference (dollars in thousands)	Conference Action
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0860-001-0001 Board of Equalization

301 **Enhancement of E-Services** Senate

Governor proposed an increase in budgetary authority of \$950,000 (\$690,000) and four limited-term positions to make enhancements to the department’s e-registration services. The proposal will facilitate ease of registration and make account maintenance more cost-effective.

\$0
Assembly
-\$950
(-\$690 GF)

Senate approved the Governor’s budget proposal.

Difference

Assembly rejected the Governor’s proposal and directed the department to absorb the costs.

\$950
(\$690 GF)

0860	Board of Equalization	Difference (dollars in thousands)	Conference Action
Issue	Description		

0860-001-0001 Board of Equalization

302	Information on Local Parcel Taxes	Senate	
	Governor had no proposal.	\$0	
	Senate did not hear this issue.	Assembly	
	Assembly approved an increase of \$250,000 and two positions at the department to collect information on parcel taxes adopted by various localities across the state.	\$250 GF	
		Difference	
		-\$250 GF	

0860**Board of Equalization**

Issue	Description	Difference (dollars in thousands)	Conference Action
0860-001-0001	Board of Equalization		
303	Accounts Receivable Inventory Reduction		Senate
	Governor had no proposal.	\$7,600 (\$5,400 GF)	
	Senate approved an augmentation for the department to work down the accounts receivable (AR) inventory that now totals over \$2.0 billion in uncollected tax liabilities. The inventory in AR has increased in recent years due to furloughs and redirections and would be reduced through additional staff until the department's automated program comes on-line. The adopted measure would result in 68.3 limited-term positions and funding of \$7.6 million and generate an additional \$30.5 million in state and local revenues (\$15.2 million GF).	Assembly \$0	
		Difference \$7,600 (\$5,400 GF)	
	Assembly did not hear this issue.		

Issue	Description	Difference (dollars in thousands)	Conference Action
0860-001-0001	Board of Equalization		
TBL	Clarify Sales Tax on Software		Senate
	<p>Governor proposed trailer bill language that clarified that software delivered on media (such as disc, tapes, or other storage devices) is tangible personal property and subject to the state’s sales tax provisions. The clarification consists of an amendment to the Revenue & Taxations Code and non-codified language in the bill indicating that the language is declaratory of existing law.</p>	No action on TBL	Assembly
	Senate took no action on the proposal.	Adopted TBL	Difference
	Assembly adopted the proposed trailer bill.	TBL	

0860	Board of Equalization	Difference (dollars in thousands)	Conference Action
Issue	Description		

0860-001-0001 Board of Equalization

007	Joint Operations Center—Fuel Tax Compliance	Senate	
	Governor proposed funding of \$300,000 (federal funds) for two permanent positions to continue California’s staffing for the Joint Operations Center project for national fuel compliance.	\$0	
	Senate approved the positions as three-year, limited-term.	\$0	
	Assembly approved the issue as budgeted.	Difference	
		\$0	

1690 Seismic Safety Commission

Issue	Description	Difference (dollars in thousands)	Conference Action
1690-001-0217	Seismic Safety Commission		
251	Permanent Funding Source for the Commission		
	<p>Governor requested trailer bill language be adopted creating an assessment of 0.15 cents per exposure on the insured in order to continue funding the Seismic Safety Commission. Since the revenue from the assessments would not be available in 2013-14, the Administration provided a \$1.12 million General Fund loan to the Insurance Fund that is expected to be repaid on June 30, 2016.</p>	<p>Senate \$</p> <p>Assembly \$1.12</p> <p>Difference \$1.12</p>	
	<p>Senate rejected the proposed trailer bill language and the corresponding budget bill referencing repayment to the General Fund from the Insurance Fund. Appropriated \$1.12 million in General Fund to the commission.</p>		
	<p>Assembly adopted trailer bill and corresponding budget bill language.</p>		

2240**Department of Housing and Community Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
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2240-001-0648 Department of Housing and Community Development

302	Extension of Liquidation Period for Infill Incentive and Transit Oriented Development Grant Funds	Senate \$	
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	Governor did not offer a proposal related to this issue.	Assembly TBL	
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	Senate did not consider a proposal related to this issue.	Difference TBL	
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Assembly adopted trailer bill language to extend the liquidation period for Infill Incentive Grant and Transit Oriented Development Funds Proposition 1C projects. Proposal would also require the Department of Housing and Community Development to create criteria and a process for distributing fund and report to the Legislature on the criteria and process.

2240**Department of Housing and Community Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
303	Transit Oriented Development Reencumbrance Technical Adjustment	Senate \$	
	Governor did not offer a proposal related to this issue.	Assembly TBL	
	Senate did not offer a proposal related to this issue.		
	Assembly approved trailer bill language that would provide authority to the Department of Housing and Community Development (HCD) to re-allocate any available funds that were disencumbered in 2013-14 for Transit Oriented Development (TOD), to fund transit oriented grants and loans.	Difference TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
306	Housing Element Review	Senate \$	
	Governor offered a proposal that would fund five two-year limited-term positions with funds from the Air Resources Board's Cost of Implementation Account.	Assembly \$649	
	Senate did not take action related to this item.	Difference \$649	
	Assembly approved Governor's proposal to fund five two-year limited-term housing element review positions at the Department of Housing and Community Development with the Air Resources Board's Cost of Implementation Account.		

2240**Department of Housing and Community Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
304	Enterprise Zones Trailer Bill Language Prohibiting the Misuse of Claims	Senate \$	
	Governor did not offer a proposal related to this item	Assembly TBL	
	Senate did not take action related to this item.		
	Assembly adopted placeholder trailer bill language to prohibit a business in an enterprise zone in a specific Southern California area from obtaining additional hiring credits if they lay off workers and later rehire workers for lower wages and benefits.	Difference TBL	

2240**Department of Housing and Community Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
2240-011-0001	Department of Housing and Community Development		
301	Emergency Housing and Assistance Program	Senate \$	
	Governor did not offer a proposal related to this issue.		
	Senate did not consider a proposal related to this issue.	Assembly \$1,000+TBL	
	Assembly appropriated \$1.0 million GF to the Emergency Housing and Assistance Program with the Department of Housing and Community Development. Additionally, the Assembly took action to adopt placeholder trailer bill language to conform many of the Emergency Housing Assistance Program with federal guidelines.	Difference \$1,000+TBL	

2240**Department of Housing and Community Development**

Issue	Description	Difference (dollars in thousands)	Conference Action
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2240-101-6071 Department of Housing and Community Development

201	Housing-Related Parks Program	Senate	\$
	Governor requested permanent increase in Proposition 1C funds by \$25 million for the Housing Related Parks Program.	Assembly	\$
	Senate adopted Governor's proposal.	Difference	\$
	Assembly approved Governor's proposal but only for Fiscal Year 2013-14.		

Issue	Description	Difference (dollars in thousands)	Conference Action
5225-001-0001 Department of Corrections and Rehabilitation			
306	<p>Augmentation for DOJ Legal Services</p> <p>Governor Proposed to augment CDCR’s budget by \$11.5 million General Fund (GF) on an ongoing basis to support the department’s DOJ legal cost.</p>	<p>Senate \$6,400 BBL</p> <p>Assembly \$0</p>	<p>The 2011 budget revised the process by which the Department of Justice’s (DOJ) state GF clients are billed for DOJ legal services. The DOJ’s GF appropriation for these services was removed from their budget and distributed to state clients based on an assessment of prior DOJ legal</p>
	<p>Senate Approved \$6.4 million GF on a one-time basis and budget bill language requiring the CDCR to report on 1) the efforts the department has taken to contain OAG legal services costs, 2) any additional steps the department could take to create efficiencies and the amount of savings such steps would create, and 3) detail regarding drivers of these costs.</p>	<p>Difference \$6,400 BBL</p>	<p>resource usage. Pursuant to this change, the DOJ began billing CDCR directly for legal services. In order to pay for these services, CDCR received an appropriation of \$40.4 million. CDCR’s actual cost for DOJ legal services was \$51.9 million in 2011-12.</p>
	<p>Assembly Rejected the proposal.</p>		<p>While CDCR’s actual costs for DOJ legal service do exceed their budget, there was a lack of information presented regarding the detail of what is driving these costs.</p>

Issue	Description	Difference (dollars in thousands)	Conference Action
5225-008-0001 Department of Corrections and Rehabilitation			
401	Rehabilitation Funding Reappropriation	Senate	In the 2012 Budget Act, the Legislature
	Governor	\$20,300	took action to create a separate item of
	The Administration took no action on this item.	BBL	appropriation for funding for CDCR’s
	Senate	TBL	rehabilitative programs. This was done to
	Reappropriated the balance of funding in CDCR’s rehabilitative programs item in order to support a number of initiative intended to promote offender rehabilitation.	Assembly	create greater oversight in ensuring the
	Assembly	\$3,100	funds are spent as intended and end the
	Reappropriated \$3.1 million to provide funding for the Prison Industry Authority’s (PIA) Career Technical Education program.	BBL	practice of redirecting program funding to
		Difference	cover other departmental expenses.
		\$17,200	Total funding contained in the item for
		TBL	CDCR rehabilitative programs in the
			current year’s budget is \$302.9 million.
			The department anticipates that there will be approximately \$25 million unspent at the end of the fiscal year. The Senate has reappropriated the balance to provide at least \$20.3 million in support of initiatives that support or provide rehabilitative services. The Assembly has reappropriated only \$3.1 million to support PIA’s Career Technical Education program.

5225**Department of Corrections and Rehabilitation**

Issue	Description	Difference (dollars in thousands)	Conference Action
5225-001-0001	Department of Corrections and Rehabilitation		
402	Integrated Services for Mentally Ill Parolees (ISMIP) and Medi-Cal Expansion	Senate \$0	This Senate action expands health care and mental health care services to both parolees and offenders on post-release community supervision. The cost of these program expansions will be offset by a reduction in CDCR's prescription drug costs (\$7.2 million).
	Governor The Administration took no action on this item.	Assembly \$0	
	Senate 1) Added 30 social workers to pre-enroll all offenders leaving state prison for Medi-Cal, 2) Increased the number of mentally ill parolees served by the ISMIP program from 300 parolees to up to 1,000, and 3) Adopted reduction associated with state pharmaceutical cost savings resulting from enrolling parolees in Medi-Cal.	Difference \$0	CDCR's past costs for providing prescription drugs to parolees has fluctuated from \$10 million to \$30 million annually over recent years.
	Assembly The Assembly took no action on this item.		Staff notes that there is a conforming adjustment to Item 4260-101-0001 to account for the increase in Medi-Cal services.

6645**Health Benefits for California State University Annuitants**

Issue	Description	Difference (dollars in thousands)	Conference Action
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6645-001-0001 Health Benefits for California State University Annuitants

000	Health Rates for Retired California State University (CSU) Annuitants	Senate	
		\$0	
	Governor proposed changes to the GF and other funds for health and dental rates for retired CSU employees.	Assembly	
	Senate approved the budget request along with modified budget bill language limiting the amount available for correction of calculation errors and instituting a legislative reporting requirement.	\$0	
		Difference	
		\$0	
	Assembly approved as budgeted.		

7350 Department of Industrial Relations

Issue	Description	Difference (dollars in thousands)	Conference Action
7350-001-0001	Department of Industrial Relations		
	Supplemental Reporting Language for DIR Funds		Senate
306	Governor proposed eliminating the sunset dates, and increasing the annual revenue caps, on the Occupational Safety and Health Fund (OSH) and the Labor Enforcement and Compliance Fund (LECF) in the Department of Industrial Relations (DIR).	\$0	Assembly
	Senate approved the budget request and, modified for technical corrections, placeholder trailer bill language.	\$0	Difference
	Assembly approved the budget request and, modified for technical corrections, placeholder trailer bill language, and included supplemental reporting language directing DIR to meet with stakeholders on a quarterly basis to discuss the uses and outcomes of the two funds, and to report to the subcommittee next year on the progress of creating more transparency for these funds and the efficacy of the stakeholder meetings.	\$0	

7501 Department of Human Resources

Issue	Description	Difference (dollars in thousands)	Conference Action
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7501-001-0001 Department of Human Resources

302	Extension of Examination and Certification Online System Project	Senate \$	
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<p>Governor requested 2.0 positions and a total of \$821,000 (\$468,000 GF) to fund the Examination and Certification Online System (ECOS) project. The project cost increased from \$4,705,157 to \$9,946,210, a 111 percent project cost increase.</p>	<p>Assembly \$468 Difference \$468</p>
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Senate rejected proposal and instructed the Administration to return with a new proposal in 2014-15.

Assembly adopted Administration's proposal.

7730**Franchise Tax Board**

Issue	Description	Difference (dollars in thousands)	Conference Action
7730-001-0001	Franchise Tax Board		
TBL	Internal Revenue Code Section 1031 Like-Kind Exchanges		Senate
	Governor had no proposal.		Adopted TBL
	Senate adopted placeholder trailer bill language that would require that taxpayers who participate in out-of-state IRC section 1031 Like-Kind exchanges, and the accompanying deferral of California taxes, to file an informational form with the Franchise Tax Board (FTB). The language would provide an annual information reporting requirement for any taxpayer that claims non-recognition of gain for an IRC section 1031 like-kind exchange when the property acquired in the exchange is located outside of California, and would generally require deferred gain on that exchange to be recognized if any taxpayer fails to comply with that reporting requirement.		Assembly
			Did not hear proposal
			Difference
			TBL
	Assembly did not hear this issue.		

7730**Franchise Tax Board**

Issue	Description	Difference (dollars in thousands)	Conference Action
7730-001-0001	Franchise Tax Board		
208	Costs Associated with Membership in Multi-State Tax Commission.	Senate	
		-\$270	
	Background: In conjunctions with an apportionment of income issue, California dropped its membership in this cross-state tax organization.	Assembly	
		\$0	
	Governor had no proposal.		
	Senate took action to reduce the department's budget in an amount equal to the fees for membership in the organization.	Difference	
		-\$270	
	Assembly did not hear this issue.		

Issue	Description	Difference (dollars in thousands)	Conference Action
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7730-001-0001 Franchise Tax Board

TBL **Economic Development Reform Proposal** Senate

Governor proposed trailer bill language that would reform the state's economic development incentives. The proposal is designed to be revenue neutral and focus on improving the performance of resources being used to better stimulate economic growth and the creation of jobs. The program would redeploy resources currently committed to the Enterprise Zone programs and the New Jobs Credit. It proposes to modernize the state's job creation and economic development incentives by reshaping existing programs and includes (1) hiring credit for businesses in specific areas with high unemployment and poverty rates; (2) sales tax exemption on manufacturing and biotech research and development equipment; and, (3) incentive fund to provide business tax credits in exchange for investments in California.

Adopted
proposed
TBL

Assembly

No action on
TBL

Difference

TBL

Senate approved placeholder economic development trailer bill language in full budget committee.

Assembly heard this issue and took no action.

7870**Victim Compensation and Government Claims Board**

Issue	Description	Difference <small>(dollars in thousands)</small>	Conference Action
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7870-001-0001 Victim Compensation and Government Claims Board

201 **Trauma Recovery Center** Senate
\$2,000

Governor did not offer a proposal related to this issue.

Senate increased restitution fund expenditure authority of the Victim Compensation and Government Claims Board by \$2.0 million and adopted trailer bill language requiring that the Board administer a grant program that assists state residents in obtaining compensation for their pecuniary losses suffered as a result of criminal acts.

Assembly
\$

Difference
\$2,000

Assembly took no action related to this item.

7920**California State Teachers' Retirement System****Issue****Description****Difference**
(dollars in thousands)**Conference Action****7920-490****California State Teachers' Retirement System**500 **Information Technology Reappropriation** Senate

Governor proposed to reappropriate \$6.7 million for costs associated with information technology projects, which would address funding continuation issues related to the system's major technology projects.

\$0

Assembly

\$0

Senate approved the budgeted resources along with modified budget bill language requiring reporting of expenditures.

Difference

\$0

Assembly approved as budgeted.

8820**Commission on the Status of Women**

Issue	Description	Difference (dollars in thousands)	Conference Action
8820-001-0001	Commission on the Status of Women		
251	General Fund Augmentation for the Commission on the Status of Women		Senate \$0
	Governor offered no proposal related to this item.		Assembly \$500+BBL
	Senate did not take any action related to this item.		
	Assembly added \$500,000 General Fund to the Commission's budget in 2013-14 on a one-time basis. Provisional budget bill language adopted that specifies all other funds must be fully expended prior to the use of General Fund dollars.		Difference \$500+BBL

8885	Commission on State Mandates	Difference (dollars in thousands)	Conference Action
Issue	Description		

8885-001-0001 Commission on State Mandates

303 **Mandate Suspension without Statewide Cost Estimates**

(303a) Public Records Act Mandate

Senate
\$0

Governor proposed to suspend this mandate relating to various requirements to provide assistance, notification of disclosure, and the expunging of information. There is no statewide cost estimate for this mandate and thus no budget impact.

Assembly
\$0

Difference
\$0

Senate approved the suspension of this mandate.

Assembly rejected suspension of this mandate.

8885	Commission on State Mandates	Difference (dollars in thousands)	Conference Action
Issue	Description		

8885-001-0001 Commission on State Mandates

(303b) Local Agency Ethics Mandate Senate
\$0

Governor proposed to suspend this mandate which requires some local governments required to pay compensation to adopt policies related to reimbursement of expenses and provide ethics training. There are no statewide cost estimates for this mandate. Assembly
\$0
Difference
\$0

Senate approved the mandate suspension.

Assembly rejected mandate suspension.

Issue	Description	Difference (dollars in thousands)	Conference Action
8955-001-0001	California Department of Veterans Affairs		
310	Rector Reservoir	Senate \$	
	Governor did not offer a proposal related to this issue.		
	Senate did not consider a proposal related to this issue.	Assembly \$50+TBL	
	Assembly appropriated \$50,000 GF for the Department of Veterans Affairs to hire a technical water expert to assist with issues related to Rector Reservoir at the Yountville Veterans Home. The technical expert would advise the department on selling excess water from the reservoir. Additionally, the Assembly adopted placeholder trailer bill language that would provide the department with greater discretion to manage the water rights at Rector Reservoir.	Difference \$50+TBL	

Issue	Description	Difference (dollars in thousands)	Conference Action
8955-001-0001	California Department of Veterans Affairs		
311	Veterans Claims Backlog	Senate \$500	
	Governor did not offer a proposal related to this issue.		
	Senate appropriated \$500,000 GF to assist the U.S. Department of Veterans Affairs (USDVA) in order to address the high number of disability claims backlogs at the three USDVA claims processing facilities in the state. The funding would provide for a total of six CDVA staff to support federal efforts to reduce the claims backlog.	Assembly \$3,000	
	Assembly appropriated \$3.0 million GF to assist USDVA efforts in reducing the claims backlog. This would provide CDVA with 36 staff to support USDVA claims processing efforts.	Difference \$2,500	

Issue	Description	Difference (dollars in thousands)	Conference Action
8955-011-0001	California Department of Veterans Affairs		
620	Central Coast State Veterans Cemetery at Fort Ord	Senate \$2,500	
	Governor did not offer a proposal related to this issue.		
	Senate transferred \$2,500,000 GF in order to begin the construction of the Central Coast State Veterans Cemetery at Fort Ord.	Assembly \$	
	Assembly did not take action related to this item.	Difference \$2,500	

8955 Department of Veterans Affairs

Issue	Description	Difference (dollars in thousands)	Conference Action
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8955-101-001 Department of Veterans Affairs

101	County Veteran Service Officers (CVSOs)	Senate \$	
	Governor did not offer a proposal related to this issue.		
	Senate did not consider a proposal related to this issue.	Assembly \$3,000	
	Assembly appropriated \$3.0 million GF to augment the current \$2.6 GF provided to the 54 CVSOs .	Difference \$3,000	

9210 Local Government Financing

Issue	Description	Difference (dollars in thousands)	Conference Action
9210-001-0001	Local Government Financing		
TBL	Local Economic Development Tools		Senate
	Governor had no proposal.	\$0	
	Senate had no proposal.		Assembly
	Assembly adopted placeholder trailer bill language to lower the threshold to pass infrastructure bond measures with the same 55 percent super-majority required for school bonds.	\$0	
		Difference	
		\$0	

9650	Health and Dental Benefits for Annuitants		Conference Action
Issue	Description	Difference (dollars in thousands)	

9650-001-0001 Health and Dental Benefits for Annuitants

500	Health and Dental Rates for Retired State Employees	Senate	
	Governor proposed changes to the GF and other funds for health and dental rates for retired state employees.	\$0	
		Assembly	
	Senate approved the budget request along with modified budget bill language limiting the amount available for correction of calculation errors and instituting a legislative reporting requirement.	\$0	
		Difference	
	Assembly approved as budgeted.	\$0	

9800 Employee Compensation

Issue	Description	Difference (dollars in thousands)	Conference Action
9800-001-0001	Employee Compensation		
300	Augmentation for Employee Compensation		Senate
	<p>Governor proposed increases in employee compensation resulting from updates health care enrollment figures, other post-employment benefit contributions, and previously committed to step increases.</p>	\$100 GF	Assembly
	<p>Senate approved increased funding by \$100,000 over the Governor’s proposal.</p>	\$0	Difference
	<p>Assembly approved as budgeted.</p>	\$100	

Control Section 3.60 Public Employees' Retirement Benefits

Issue	Description	Difference (dollars in thousands)	Conference Action
CS 3.60	Public Employees' Retirement Benefits		
500	Contribution to Public Employees' Retirement Benefits	Senate	
		\$1,000	
	Governor proposed \$48.7 million GF for the employer pension contribution. Included in the total retirement contribution is \$42.2 million of GF resources directed at the state's unfunded pension liability reflecting saving resulting from increased employee contributions.	Assembly	
		\$0	
		Difference	
	Senate approved the proposal but increased the amount by \$1.0 million.	\$1,000	
	Assembly approved as budgeted		

Control Section 8.56**Federal Funding Reductions**

Issue	Description	Difference (dollars in thousands)	Conference Action
CS 8.56	Federal Sequestration Funding Reductions		
001	Reductions in Federal Funding Due to Sequestration and Other Actions	Senate	
		\$0	
	Governor proposed budget bill language that would allow for reductions in budget items pursuant to federal sequestration and other federal actions, upon notice to the Legislature.	Assembly	
		\$0	
	Senate rejected the proposed budget bill language and approved substitute budget bill language that would allow for legislative input, limit the adjustments in this control section to federal sequestration, and require additional explanations for any adjustment made.	Difference	
		\$0	
	Assembly did not hear this issue.		

Control Section 35.21**General Fund Accrual**

Issue	Description	Difference (dollars in thousands)	Conference Action
CS 35.21	General Fund Accrual Methodology		
001	Application of Net Final Payment Accrual Methodology		
	Governor proposed trailer bill language that would codify permanently the use of estimated net final payment accrual methodology for tax revenues accrued under any initiative measure enacted on or after January 1, 2012.	Senate Rejected proposed TBL and adopted BBL	
	Senate rejected the proposed trailer bill and adopted budget bill language that would allow for the use of the new accrual methodology through the budget year.	Assembly Rejected proposed TBL	
	Assembly rejected the trailer bill.	Difference BBL	

7502 Technology Department

Issue	Description	Difference (dollars in thousands)	Conference Action
7502-001-9730	Technology Department		
200	Information Technology Procurement Transfer	Senate \$2,826+TBL	
	<p>Governor requested the transfer of the Information Technology (IT) Procurement Section within the Department of General Services (DGS) to the Technology Department (department). This request includes a request to transfer funding and 23 positions to the department. Includes a request for a \$212,000 budget augmentation to support the facilities costs associated with absorbing 23 personnel and also includes trailer bill language necessary to provide the department with the appropriate authority to conduct IT procurement-related activities.</p>	Assembly \$2,826+TBL	
		Difference TBL	
	<p>Senate approved as budgeted and adopted proposed trailer bill language.</p>		
	<p>Assembly approved as budgeted and did not adopt trailer bill language.</p>		