

AGENDA**ASSEMBLY BUDGET SUBCOMMITTEE NO. 4 STATE ADMINISTRATION****ASSEMBLYMEMBER ADRIN NAZARIAN, CHAIR****TUESDAY, APRIL 5, 2016
1:30 P.M. - STATE CAPITOL, ROOM 447**

VOTE-ONLY CALENDAR		
ITEM	DESCRIPTION	
8955	DEPARTMENT OF VETERANS AFFAIRS	2
VOTE-ONLY ISSUE 1	CALIFORNIA E-MAIL SYSTEM AND WIDE AREA NETWORK FEE INCREASE	2
VOTE-ONLY ISSUE 2	NORTHERN CALIFORNIA VETERANS CEMETERY DROUGHT MITIGATION	3
VOTE-ONLY ISSUE 3	NORTHERN CALIFORNIA VETERANS CEMETERY OPERATIONS	4
3100	CALIFORNIA SCIENCE CENTER	5
VOTE-ONLY ISSUE 4	BATHROOM RENOVATIONS AND DRINKING FOUNTAINS REPLACEMENT	5
8885	COMMISSION ON STATE MANDATES	6
VOTE-ONLY ISSUE 5	GOVERNOR'S PROPOSAL TO FUND AND SUSPEND MANDATES	6

ITEMS TO BE HEARD		
ITEM	DESCRIPTION	
8955	DEPARTMENT OF VETERANS AFFAIRS	9
ISSUE 1	VETERANS HOMES OF CALIFORNIA (VHC) OVERVIEW	9
ISSUE 2	VHC-FRESNO AND REDDING FOOD SERVICES	11
ISSUE 3	RESIDENTIAL NURSING CARE	13
ISSUE 4	VHC-WEST LOS ANGELES MEMORY CARE UNIT	15
ISSUE 5	VHC-YOUNTVILLE KITCHEN RENOVATION	16
ISSUE 6	PREVIOUS VETERANS AFFAIRS INITIATIVES OVERVIEW	17
ISSUE 7	HUMAN RESOURCES DIVISION STAFF	20
ISSUE 8	VETERANS HOUSING AND HOMELESS PREVENTION PROGRAM	21
3100	CALIFORNIA SCIENCE CENTER	22
ISSUE 9	EXPOSITION PARK REIMBURSEMENT AUTHORITY INCREASE	22
ISSUE 10	EXPOSITION PARK PUBLIC SAFETY STAFFING AUGMENTATION	23

8885	COMMISSION ON STATE MANDATES	24
ISSUE 11	LOCAL GOVERNMENT MANDATES: REASONABLE REIMBURSEMENT METHODOLOGY TRAILER BILL LANGUAGE	24
8820	COMMISSION ON STATUS OF WOMEN AND GIRLS	26
ISSUE 12	OVERVIEW	26
1700	DEPARTMENT OF FAIR EMPLOYMENT AND HOUSING	27
ISSUE 13	ENFORCEMENT STAFFING AND RESOURCES	27

VOTE-ONLY CALENDAR

8955 DEPARTMENT OF VETERANS AFFAIRS

VOTE-ONLY ISSUE 1: CALIFORNIA E-MAIL SYSTEM AND WIDE AREA NETWORK FEE INCREASE

The California Department of Veterans Affairs (CalVet) requests an augmentation of \$451,000 (\$433,000 General Fund and \$18,000 Farm and Home Building Fund of 1943) in order to cover necessary costs and fee increases resulting from AB 2408 (Smyth and Huber) Chapter 404, Statutes of 2010.

BACKGROUND

AB 2408 required that CalVet transition existing e-mail services to the California E-mail System (CES), managed by the Department of Technology's Office of Technology (OTech). The CES hosted e-mail exchange is a cloud computing e-mail system for the State of California where the e-mail hardware and software are housed at Microsoft data centers. The CES data is replicated from the primary to the backup data center, which is in a different geographic location, providing advanced security and reliability.

AB 2408 also required that WAN connections between headquarters and all Veterans Homes and CalVet district offices be hosted and managed by OTech. These connections provide critical services such as CalVet's electronic medical records, e-mail, and internet to the veterans homes and district offices. Additionally, in January of 2014, OTech increased its fees charged to CalVet and other state agencies.

Once AB 2408 was implemented, CalVet moved its Exchange messaging over to OTech in 2013. At that time, the ongoing annual cost per mailbox increased by 500 percent from approximately \$18 per user to \$91 per user, an increase of about \$200,000 annually. The CalVet support staff workload also increased as complexity of e-mail solution increased. Specifically, now the Department also must verify that network connectivity to CES is stable and administrative tasks are no longer able to be performed without opening a ticket with the OTech. This increases the amount of time that staff must spend researching and resolving incidents. CalVet is no longer able to continue to support the increased costs per mailbox.

STAFF COMMENT

Staff recommends approving the augmentation requested in this BCP in order to address associated costs of AB 2408.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 2: NORTHERN CALIFORNIA VETERANS CEMETERY DROUGHT MITIGATION

CalVet requests \$300,000 (General Fund) in 2016-17 in order to replace the Northern California Cemetery turf with drought-tolerant landscape and to renovate the existing irrigation system.

BACKGROUND

This proposal seeks to mitigate California's propensity for severe drought occurrences by permanently reducing water usage by 30percent during the annual six-month drought in the area. Previously, when the Cemetery instituted water conservation matters, it had to close down various sections of the cemetery that previously housed in-ground cremation burials. As a result, of this proposal, the Cemetery could reestablish these sections and provide additional burial sites.

STAFF COMMENTS

This proposal falls in line with other measures the State has tried to mitigate drought-related issues. Staff recommends approval of this BCP.

Staff Recommendation: Approve as budgeted.

VOTE-ONLY ISSUE 3: NORTHERN CALIFORNIA VETERANS CEMETERY OPERATIONS

CalVet requests \$185,000 (General Fund) and 2.5 positions (\$181,000 General Fund and 2.5 positions annually ongoing) in order to complete operational requirements for Northern California Veterans Cemetery. This proposal also requests one-time \$15,000 (General Fund) to purchase a modular unit for a permanent office space at the Veterans Memorial Grove Cemetery to replace an existing rental contract.

BACKGROUND

This proposal requests two full-time Grounds Keepers and one part-time Staff Services Analyst for the Northern California Veterans Cemetery (NCVC). When this Cemetery was built, the facility was understaffed by state civil service positions and supplemented by volunteers in order to contain General Fund costs. However, staff is currently unable to fulfill necessary duties within the workday and must work 12-15 hours of overtime per month. Even with the overtime hours worked by staff, NCVC only reached a 36.4 percent success rate in achieving the National Cemetery Administration standard. This proposal seeks to provide adequate grounds keeping, burials, headstone installation, maintenance of the cemetery, and facility maintenance duties at the Cemetery.

The proposal also requests \$15,000 (General Fund) to purchase a modular office unit at Veterans Memorial Grove Cemetery in order to perform administrative tasks. Currently, the Department spends \$3,024 each year in rent on the temporary office. At that rate, the new facility will pay for itself in five years. The modular office unit is expected to last at least 15 years.

STAFF COMMENTS

Staff has no concerns with this proposal and recommends approval of the BCP.

Staff Recommendation: Approve as budgeted.

3100 CALIFORNIA SCIENCE CENTER**VOTE-ONLY ISSUE 4: BATHROOM RENOVATIONS AND DRINKING FOUNTAINS REPLACEMENT**

The California African American Museum (CAAM) is requesting \$275,000 (Exposition Park Improvement Fund) that will provide funding the renovation of four bathrooms and the replacement of two wall mounted drinking fountains inside of the CAAM building.

BACKGROUND

In April 2012, Governor Brown issued Executive Order B-18-12, which required energy and water efficiency improvements in State buildings. The CAAM museum maintains a collection of art and research volumes that are both owned by the state and borrowed from collectors and is inclusive of CAAMs mission statement.

Over the past 30 years, both the museum and the park have grown and changed. The Science Center has more than doubled in size, park attendance has grown significantly and the collections at the museum far exceed the original design. CAAM needs to hire a licensed plumbing contractor to further investigate and look into problems. Due the projected cost of the contracting a licensed contractor, CAAM deferred to FY 2016-17. Additionally, CAAM needs to hire a licensed plumbing contractor to evaluate and fix the piping and plumbing problems for the four bathroom renovations.

CAAM has two wall mounted drinking fountains inside the building that need to be replaced. These drinking fountains are very old. The fountains look rusty, and corrosions are visible around the basins. The drinking water is currently filtered because of the piping system problem. The much needed bathroom and drinking fountains renovations will increase the visitors and patrons.

STAFF COMMENTS

Staff has no concerns with this proposal.

Staff Recommendation: Approve as budgeted.

8885 COMMISSION ON STATE MANDATES

ISSUE 5: GOVERNOR'S PROPOSAL TO FUND AND SUSPEND MANDATES

The Governor's budget includes a proposal to fund and suspend mandates consistent with past years.

BACKGROUND

Mandates to be Funded. The chart below includes the mandates to be funded in the 2016-17 budget for a total of approximately \$45 million.

Proposed to Be Funded	2016-17 Proposed Budget Bill (\$ in 000s)
Accounting for Local Revenue Realignments	97
Allocation of Property Tax Revenues	611
California Public Records Act	7,578
Crime Victims' Domestic Violence Incident Reports	166
Custody of Minors - Child Abduction and Recovery	13,328
Domestic Violence Arrest Policies	8,494
Domestic Violence Arrests and Victims Assistance	2,725
Domestic Violence Treatment Services	2,019
Health Benefits for Survivors of Peace Officers and Firefighters	2,943
Local Agency Ethics	0
Medi-Cal Beneficiary Death Notices	26
Medi-Cal Eligibility of Juvenile Offenders	11
Peace Officer Personnel Records: Unfounded Complaints & Discovery	548
Rape Victim Counseling	353
Sexually Violent Predators	5,129
State Authorized Risk Assessment Tool for Sex Offenders	725
Threats Against Peace Officers	263
Tuberculosis	83
Unitary Countywide Tax Rates	456
Total Funded Costs	45,555

Mandates to be Suspended. The Governor's budget proposes the suspension of mandates consistent with previous years. Mandates suspended in prior years are listed below for a total of \$605 million, a decrease of about \$15 million.

2016-17 Suspended Mandates (000s)	2015-16 Total Estimate	2016-17 Total Estimate
<i>Absentee Ballots</i>	49,589	49,608
<i>Absentee Ballots – Tabulation by Precinct</i>	68	68
<i>AIDS/Search Warrant</i>	1,582	0
<i>Airport Land Use Commission/Plans</i>	1,263	1,263
<i>Animal Adoption</i>	37,188	40,058
<i>Brendon Maguire Act</i>	0	0
<i>Conservatorship: Developmentally Disabled Adults</i>	349	349
<i>Coroners' Costs</i>	222	222
<i>Crime Statistics Reports for the Department of Justice & CSRDOJ Amended</i>	154,937	154,937
<i>Crime Victims' Domestic Violence Incident Reports II</i>	2,010	2,010
<i>Developmentally Disabled Attorneys' Services</i>	1,201	1,201
<i>DNA Database & Amendments to Postmortem Examinations: Unidentified Bodies</i>	310	310
<i>Domestic Violence Background Checks</i>	20,627	20,627
<i>Domestic Violence Information</i>	0	0
<i>Elder Abuse, Law Enforcement Training</i>	0	0
<i>Extended Commitment, Youth Authority</i>	0	0
<i>False Reports of Police Misconduct</i>	10	10
<i>Firearm Hearings for Discharged Inpatients</i>	157	157
<i>Grand Jury Proceedings</i>	0	0
<i>ICAN Interagency Child Abuse and Neglect Investigation</i>	90,342	73,566
<i>Identity Theft</i>	93,918	93,960
<i>In-Home Supportive Services II</i>	443	443
<i>Inmate AIDS Testing</i>	0	0
<i>Judiciary Proceedings</i>	274	274
<i>Law Enforcement Sexual Harassment Training</i>	0	0
<i>Local Coastal Plans</i>	0	0
<i>Mandate Reimbursement Process I</i>	6,910	6,895
<i>Mandate Reimbursement Process II (includes consolidation of MRPI and MRPII)</i>	0	0
<i>Mentally Disordered Offenders: Treatment as a Condition of Parole</i>	4,910	4,910
<i>Mentally Disordered Offenders' Extended Commitments Proceedings</i>	7,222	7,222
<i>Mentally Disordered Sex Offenders' Reccommitments</i>	340	340
<i>Mentally Retarded Defendants Representation</i>	36	36
<i>Missing Person Report</i>	0	0
<i>Modified Primary Election</i>	1,817	1,817
<i>Not Guilty by Reason of Insanity</i>	5,214	5,214
<i>Open Meetings Act/Brown Act Reform</i>	110,593	110,593
<i>Pacific Beach Safety: Water Quality and Closures</i>	344	344
<i>Perinatal Services</i>	2,338	2,338
<i>Permanent Absent Voters II</i>	12,098	11,907
<i>Personal Safety Alarm Devices</i>	0	0
<i>Photographic Record of Evidence</i>	(62)	291

<i>Pocket Masks (CPR)</i>	0	0
<i>Post-Conviction: DNA Court Proceedings</i>	410	410
<i>Postmortem Examinations: Unidentified Bodies, Human Remains</i>	(466)	(466)
<i>Prisoner Parental Rights</i>	0	0
<i>Senior Citizens Property Tax Postponement</i>	481	481
<i>Sex Crime Confidentiality</i>	0	0
<i>Sex Offenders: Disclosure by Law Enforcement Officers</i>	0	0
<i>SIDS Autopsies</i>	0	0
<i>SIDS Contacts by Local Health Officers</i>	0	0
<i>SIDS Training for Firefighters</i>	0	0
<i>Stolen Vehicle Notification</i>	1,117	1,117
<i>Structural Wildland Firefighter Safety</i>	0	0
<i>Very High Fire Hazard Severity Zones</i>	0	0
<i>Voter Identification Procedures</i>	10,075	10,075
<i>Voter Registration Procedures</i>	2,481	2,481
	\$620,349	\$605,068

STAFF COMMENTS

The list of mandates proposed to be funded and suspended is consistent with previous budget years.

Staff Recommendation: Approve as budgeted.

ITEMS TO BE HEARD

8955 DEPARTMENT OF VETERANS AFFAIRS

Department Overview. California is home to 1.8 million veterans, more than any other state, and about 8 percent of the nation's veteran population. The California Department of Veterans Affairs serves California's veterans and their families by presenting claims for various federal and state entitlement benefits, providing direct low-cost loans to acquire homes and farms, and providing rehabilitative, residential, and medical care at the California Veterans Homes.

California anticipates receiving an additional 30,000 discharged members of the armed services each year for the next several years. Historically, the largest demand for benefits and services for veterans occurs immediately after discharge and again as the veteran population ages and requires greater access to medical facilities and long-term care services.

Budget Overview. The Governor's budget includes \$454 million (\$382.5 million General Fund, \$2.6 million Federal Funds, and \$68.9 million Special Funds) for the Department of Veterans Affairs in 2016-17, an increase of \$24.4 million or 5.6 percent from the current year. The Department of Veterans Affairs is funded from General Fund, federal reimbursements, and special funds. Proposed staffing totals 3,199 personnel.

ISSUE 1: VETERANS HOMES OF CALIFORNIA (VHC) OVERVIEW

Veterans Homes Overview.

VHC Name	Total Staffing (Level of care and non-level of care)	Physical Capacity	Budgeted Census for 2016-17	Projected Average Daily Census for 2016-17
Yountville	902.6	1,184	1,021	994.1
Barstow	213.9	400	220	212.0
Chula Vista	349.6	400	305	290.6
West LA	587.5	396	370	364.1
Lancaster	99.0	60	60	86.1
Ventura	99.0	60	60	86.1
Redding	272.2	150	150	145.2
Fresno	455.0	300	296	286.1
Totals	2978.8	2,950	2,482	2,464.3

WEST LA KITCHEN

When the West LA facility was originally built, a fully functioning kitchen facility was not included because there was initially a contract with the USDVA for food services, which would have allowed food to be brought in by a third party. When the federal government backed out, the encumbrance to build a kitchen and fill beds at the home fell on the State.

Construction of the full-service kitchen was completed on time and on budget and CalVet received a certificate of occupancy from the State Fire Marshal on October 28, 2015. As of January 2016, CalVet was in the process of finishing final details to open the kitchen, including:

- Hiring staff for both the new kitchen (while transitioning from contracted employees to civil service) and the new Skilled Nursing Facility (SNF) units
- Testing and adjusting new equipment to ensure proper operation and compliance
- Testing and training new employees to prepare for California Department of Public Health (CDPH) surveys
- Working with CDPH for licensing the kitchen and the new unit, which took place at the end of January

VETERANS HOME OF CHULA VISTA

The Chula Vista Veterans Home was established in 2000. The home provides three levels of care: Skilled Nursing, Residential Care for the Elderly, and Domiciliary. There has been concern in the San Diego community regarding the discrepancy between physical capacity and budgeted beds at the Chula Vista Home. Currently, the home has a physical capacity of 400, but is only budgeted for 305 beds.

During the recession, the number of budgeted beds decreased as CalVet was asked to achieve General Fund savings. Community advocates have asked that CalVet and the Legislature focus on opening up more beds at this facility in order to serve the needs of veterans in the area.

STAFF COMMENTS

This item is informational. The Subcommittee may wish to ask the following of the Department:

- When will the West LA facility be fully staffed and ready for new residents?
- How many people are on the wait list at VHC-Chula Vista?
- How much would it cost to get 95 more Residential Care Facility for the Elderly (RCFE) beds open at VHC-Chula Vista? Are there associated federal funds?
- Has CalVet heard from the San Diego community about need for a memory care unit on the VHC-Chula Vista campus?

Staff Recommendation: Approve as budgeted.

ISSUE 2: VHC-FRESNO AND REDDING FOOD SERVICES

CalVet requests \$592,000 and nine positions in order to address changes in food service delivery at the Fresno and Redding Veterans Homes. This request includes ongoing funding of \$585,000 in order to support the nine positions in the future.

BACKGROUND

The Fresno and Redding Veterans Homes were constructed under new VA guidelines of creating a more homelike environment. In addition to the large main kitchen, each neighborhood was built with a small satellite kitchen. Initially, the plan was to cook the food in the main kitchen and reheat it in the satellite kitchens before distribution to residents. When California Department of Public Health (CDPH) surveyed the facilities, they indicated that they expect the SNF kitchen to function independently from the RCFE kitchen and that CalVet has to create an Interruption of Service Emergency Food Plan that is separate from the Residential Care Facility for the Elderly's (RCFE) plan and storage. Essentially, this requires that the kitchens not only have storage and standalone capabilities, but also that CalVet assign cooks specifically to the SNF kitchen.

STAFF COMMENTS

Staff notes no concern with providing the positions and funding necessary for essential food services for Veterans, however there is concern as to whether CalVet and the Department of Public Health had adequate communication during the construction of the kitchens at these facilities. Within CalVet's justification for these positions, it is stated that "during the initial survey process of the SNF kitchen in VHC-Redding the definition of satellite kitchen and the staffing associated with it differed between what the CalVet had in place and what CDPH identified as a minimum level. Specifically, on March 19, 2015, the CDPH surveyed the VHC-Redding and indicated that they expect the SNF kitchen to function independently from the RCFE kitchen."

It is worth noting that this BCP is solely for the staffing of the satellite kitchen, and is not related to new kitchen construction. According to CalVet, the initial team from CDPH that reviewed the construction plans for the kitchen cited no issues with the kitchen layout. After construction was complete, the survey team from CDPH indicated that the SNF kitchen needed to function independently from the RCFE kitchen. In previous years, this Subcommittee has expressed concern regarding CalVet's ability to execute new construction within parameters required by CDPH and USDVA.

The Subcommittee should continue to monitor new construction and may wish to require that new regulations for the construction and operation of Veterans Homes be posted and easily accessible to all employees, in order to minimize confusion about what will be required by CDPH's licensing section.

The Subcommittee may also wish to ask the following of CalVet:

- Please provide detail as to the numbers of residents that utilize the main and satellite kitchens.
- As the main kitchen is fully functioning and staff are currently able to manage the workload, outside of times of emergency, what will these additional nine positions do on a daily basis?

Staff Recommendation: Hold open.

ISSUE 3: RESIDENTIAL NURSING CARE

This proposal requests \$2.9 million (General Fund) and 32 positions in order to address nursing care shortages at the Yountville, Barstow, and Chula Vista Veterans Homes. The proposal also includes ongoing costs of \$2.8 million (General Fund) for the ongoing support of the 32 positions.

BACKGROUND

In order to improve the delivery of care for consumers, CalVet requests 32 positions to increase nursing staff in the three older Veterans Homes. In order to comply with the law and provide an appropriate staffing relief factor, it is critical that the Homes meet the acuity levels of the residents and absorb unforeseen staffing shortages without disrupting the continuity of care for residents. As the homes operate 24 hours a day, 7 days a week, fatigue and stress on the nursing staff have led to high rates of medical related leave covered by the Family and Medical Leave Act (FMLA) and worker's compensation claims. Utilization of those services, coupled with staffing shortages and recruitment difficulties has led to other staff working double shifts in order to maintain staffing acuity.

Specifically, CalVet requests to use updated data and holiday schedule to revise its around-the-clock nursing relief factor from 1.7 to 1.77. The net impact of nursing staff by home is as follows:

Veterans Home of California	Certified Nursing Assistant	Licensed Vocational Nurse	Registered Nurse	Total
Yountville	11	3	5	19
Barstow	3	0	1	4
Chula Vista	7	2	0	9
Total	21	5	6	32

If approved, this request would enable CalVet to:

- Provide the additional staff needed for uninterrupted coverage and high quality long-term care.
- Reduce errors and injury to residents.
- Reduce overtime, burnout, and injuries to staff. Due to staffing shortages and recruitment difficulties, CalVet has relied on overtime for prolonged periods. This has resulted in hazardous fatigue, medication errors, injuries, and even refusal to work.
- Use health management guidelines of evidence-based best practices regulations.
- Allow staff to take vacation and annual leave time-off.
- Enable more staff training and development.

STAFF COMMENTS

Staffing acuity has been a concern at the Veterans Homes, and this proposal is a step to correct inefficiencies that currently exist in the system. The proposal will help to diminish use of overtime by providing additional staff; alleviate challenges caused by FMLA and worker's compensation claims; and provide a more appropriate nursing relief factor that allows for continuity of care.

In talks with CalVet and the Legislative Analyst's Office, there was some concern that the new homes will continue to be staffed at the 1.7 nursing relief factor level, while these older homes will now be at 1.77. Staff has no concerns with the positions requested to address nursing care shortages, however, the Subcommittee may wish to get a better understanding from CalVet as to whether this new nursing relief factor level of 1.77 is the new standard for Veterans Homes.

Staff Recommendation: Hold open.

ISSUE 4: VHC-WEST LOS ANGELES MEMORY CARE UNIT

CalVet requests 32 positions and \$3.321 million (General Fund) in 2016-17 in order to staff the last Skilled Nursing Facility at the West LA Veterans (WLA) Home. This proposal includes \$4 million for ongoing support of 40 positions.

BACKGROUND

This proposal would allow for adequate staffing of the remaining 30 Skilled Nursing Facility – Memory Care beds. When funding was initially approved for the WLA home in the 2010 Budget, the funding for this unit was not included due to a miscalculation. Given the time it has taken to ramp up the WLA facility, CalVet chose not to commit further General Fund until the surrounding units were filled. In 2015-16, VHC-WLA received 122 applications to be admitted to the SNF-MC unit, and there is an 80-person waiting list. Without this funding, the final 30 beds will remain vacant. This new facility also would be staffed at the 1.77 level mentioned in detail in the Residential Nursing Care BCP.

STAFF COMMENTS

This proposal would allow CalVet to hire staff that would allow the last SNF-MC unit in the WLA Home to be filled to 396 residents, as was initially intended for the home. CalVet intends to fill beds at this facility at a rate of eight veterans per month.

There have been many discussions regarding the mental health of California's veterans, and this proposal allows CalVet to serve a population that has great need for mental health services in a controlled environment.

Staff Recommendation: Hold open.

ISSUE 5: VHC-YOUNTVILLE KITCHEN RENOVATION

This proposal requests \$5.905 million in order to renovate the main kitchen at the Yountville Veterans Home.

BACKGROUND

The kitchen equipment at the Yountville Veterans Home was last upgraded in 1998, almost 20 years ago. According to the Department, the life expectancy of industrial kitchen equipment is ten years in a production kitchen, and considering that the Home produces over a million meals annually, the current equipment is no longer function able. Due to the non-functioning equipment, the existing kitchen at Yountville is poorly equipped and unable to serve the needs of residents properly.

The scope of the proposal includes the following:

- Installation of the new kitchen equipment
- Replacement of walk-in freezers, refrigerators, and condenser rack
- Recess slabs and building modifications as needed at new freezer and refrigerator locations
- Repair the ventilation system
- Resurface flooring with self-leveling resin type flooring
- Update compliance with Americans with Disabilities Act path of travel modifications.

The Department of General Services (DGS) provided the department an itemized cost estimate for the project, including initial inspection and management activities. DGS estimates total construction costs at \$4.3 million (\$4 million for the contract and \$278,000 to account for 7 percent construction contingency), assuming a 10-month construction period. With additional architectural and engineering services (\$847,200) and other project costs (\$796,000), the total estimated project cost is \$5.9 million.

STAFF COMMENTS

Staff recently visited the Yountville Home and noted the need for updated kitchen equipment in order for the home to adequately serve residents. The Subcommittee may wish to ask the following of CalVet:

- Are there any plumbing or electrical issues at the Yountville facility?
- Does CalVet anticipate any further funding requests for the update of the Yountville kitchen?

Staff Recommendation: Approve as budgeted.

ISSUE 6: PREVIOUS VETERANS AFFAIRS INITIATIVES OVERSIGHT

The Subcommittee will receive an update from the Department on County Veterans Service Officers and Strike Force Teams.

COUNTY VETERANS SERVICE OFFICERS

The County Veterans Service Officers (CVSOs) are veterans, and county employees who are there to assist the veteran community in applying for and maintaining available benefits and entitlements to which they may be eligible. Allocations for county services aid in the reduction of veterans claims backlog and improve turnaround times, which overall improves the quality of life for Veterans. CVSOs link veterans to their federal benefits and assist the veteran community in applying for and maintaining available benefits and entitlements to which they may be eligible.

These Officers participate in community outreach events to educate veterans on eligible benefits, and provide assistance for veterans to obtain benefits and services. According to the California Association of County Veterans Service Officers, in fiscal year 2014-15, CVSOs were able to file claims with the federal government, which resulted in payments of about \$380.5 million to veterans in California.

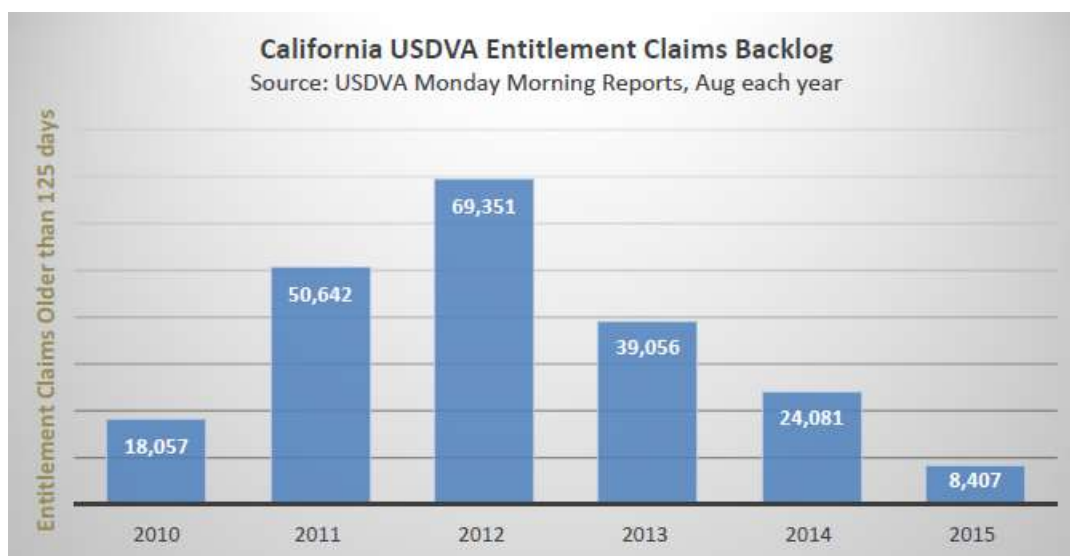
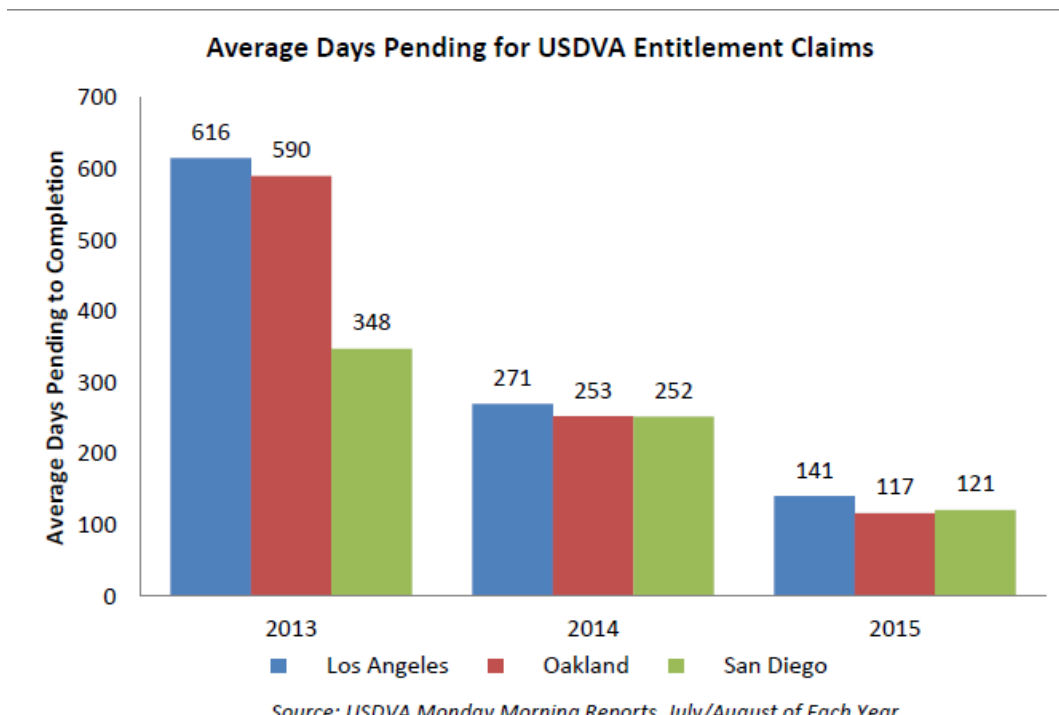
The 2015 budget established a permanent \$3 million funding level for CVSOs. The 2016-17 Budget includes a total of \$5.6 million General Fund for local assistance to CVSOs. This funding will allow counties to hire, train, and retain qualified CVSOs.

STRIKE FORCE TEAMS

The Budget Act of 2013 included \$3 million and 36 limited-term positions for “strike force” team members to help California veterans and their families receive their benefits more quickly and help reduce the backlog of claims that have kept some veterans waiting for nearly two years. This funding and position authority is set to expire June 30, 2016. To start the three-year program, a Memorandum of Understanding (MOU) was signed by the California Department of Veterans Affairs and the U.S. Department of Veterans Affairs (USDVA) on September 18, 2013, to solidify this project. The 2015 Budget Act made the positions permanent, but the additional funding was not included in this year’s Budget.

The team members are placed and managed at each of the three CalVet District Offices, which are co-located at the USDVA Regional Offices in San Diego, Los Angeles, and Oakland. The Review Team of veteran claims representatives begin with claims that have been pending the longest and work their way forward. The Support Team at each location reviews new incoming claims to make them fully developed and ready for USDVA rating.

The following two charts from the Joint Claims Initiative Progress Update, released in January 2016, show the effect of the Strike Teams on the turn-around time of Entitlement Claims and the downward trend of backlog claims. In Los Angeles, the increased funding and positions, Strike Force teams have been able to decrease the amount of days it takes to process a claim from 616 days in 2013, to 141 days in 2015. The claims backlog has also diminished from nearly 70,000 claims pending in 2012 to 8,500 in 2015.



Although the overall time to process claims and backlog of claims has decreased, claims appeals have remained steady. According to the Department, “The appeals inventory is expected to remain high and is projected to increase in the next few years due to the expedited ratings given to clear the backlog in recent years and the implementation of the national work queue. The national work queue will allow the USDVA to work California cases in other states and the volume of rating decisions will increase along with the volume of appeals.” See the chart below.

**STAFF COMMENTS**

These items are informational, and no action is needed at this time. Last year this Subcommittee took action to continue the funding for the CVSOs and to make the positions for the Strike Force Teams permanent in order to ensure that Veterans have access to their entitled benefits. It is worth noting that the Subcommittee may wish to see the Department focus on decreasing the appeals backlog, as this could provide yet another barrier to Veterans receiving their benefits.

Staff Recommendation: Informational Item.

ISSUE 7: HUMAN RESOURCES DIVISION STAFF

CalVet requests \$334,000 (\$301,000 General Fund and \$33,000 Farm and Home Building Fund of 1943) and three positions in 2016-17 in order to provide personnel management service, support, oversight, training, and guidance to programs including the eight Veterans Homes of California as a result of rapid growth.

This request includes three ongoing positions as well as \$317,000 (\$286,000 General Fund and \$31,000 Farm and Home Building Fund of 1943) annually.

BACKGROUND

Since 2009-10, staffing at CalVet has increased about 56 percent, largely due to the opening of the five newest Veterans Homes. The opening of the new Veterans Home of California-Fresno and Veterans Home of California-Redding, the expansion of the Veterans Home of California-West Los Angeles, and the development of the Seaside cemetery has generated new additional workload for Classification and Pay (C&P) analysts related to the extensive recruitment efforts and hiring of staff. These analysts also provide assistance and direction to the veterans homes' Human Resources staff.

Currently, Human Resources Division has three permanent C&P Analysts that provide guidance, consultation, make recommendations and review all recruitment, and performance management efforts for all headquarters divisions and eight veterans' homes. The Transactions Unit currently has one Senior Personnel Specialist and one Personnel Specialist. They are dedicated to technical transaction processing such as appointments, leave, retirement, benefits, workers compensation, and state disability insurance.

Additionally, the Transactions Unit within the Human Resources Division is unable to keep current with new policies and procedures set by CalHR, the State Controller's Office, and the California Public Employees' Retirement System.

STAFF COMMENTS

The positions requested will allow for CalVet's Human Resources Division to provide adequate training and services throughout the Department's many functions. Staff recommends leaving this proposal open to consider with any forthcoming proposals from CalVet.

Staff Recommendation: Hold open.

ISSUE 8: VETERANS HOUSING AND HOMELESS PREVENTION PROGRAM

This proposal requests four positions and \$406,000 from the Housing for Veterans Fund in 2016-17 in order to support the development, implementation, and monitoring of the Veterans Housing and Homeless Prevention Program. This proposal also requests four positions and \$384,000 to support the ongoing functions of the positions requested in the Budget Change Proposal.

BACKGROUND

California is home to nearly two million veterans, the largest veteran population in the nation. In 2009, the federal government announced the goal of ending veteran homelessness by the end of 2015. However, as of January 2015, 11,311 California veterans were homeless. This represents nearly 24 percent of the nation's homeless veterans.

In response to the federal movement to end veteran homelessness, AB 639 (Pérez), Chapter 727, Statutes of 2013, created the Veteran Housing and Homelessness Prevention Act of 2014, which authorized the issuance of \$600 million in bonds to provide multifamily housing to veterans. In June 2014, California voters approved Proposition 41, which provided financial support for the Veterans Housing and Homeless Prevention Bond Act of 2014. Neither the Act nor Prop 41 authorizes state funds to support social supportive services or operating subsidies. As these important services are still necessary to the program's operation, but are not funded, the programs developed a need to incentivize the developers and communities to provide these items. Over the past year, the veteran community demanded that CalVet be intricately involved in all phases of the program development and implementation.

STAFF COMMENTS

CalVet currently lacks sufficient staff to fulfill its role in advocating for veterans and ensuring that programs developed are in accordance with the Act and are in the best interest of California's veterans and the state. Each project must submit a plan that explains how services will be provided to veterans, and this plan is approved by the Department. The positions requested in this BCP are in line with the veteran community's desire to have CalVet support the development, implementation, and monitoring of the VHHP.

Staff notes no concern with this proposal and recommends approval.

Staff Recommendation: Approve as budgeted.

3100 CALIFORNIA SCIENCE CENTER**ISSUE 9: EXPOSITION PARK REIMBURSEMENT AUTHORITY INCREASE**

The Office of Exposition Park Management (OEPM) requests an increase of the annual baseline Reimbursement Authority from \$508,000 to \$638,000, to pay for annual assessments levied against the Exposition Park Improvement Fund (EPIF) and address deferred park maintenance, major repairs, capital improvements, help meet assessment obligations and improve overall security.

BACKGROUND

The increase reimbursement authority will do the following:

- Pay for approximately \$60,000 plus of the Figueroa Business Improvement District assessment on behalf of all park entities
- Pay for approximately \$30,000 plus for the City of Los Angeles Street Light Assessment on behalf of all park entities.
- Address potential future city and county issued assessments for sidewalk maintenance and repairs.

Additionally, this proposal will assist OEPM in achieving the following:

- Address critical deferred park maintenance, repairs and improvements
 - Repair sidewalks and curbs
 - Address non-ADA compliant areas of the park
- Enhance security, safety and operational concerns throughout the park
 - Meet improvements such as replace and augment security cameras and recorders.
- Address structural repairs to the multi-level parking structure and overall parking lots, which are vital to reduce security issues and lessen unnecessary liability for the State.

OEPM's annual budget is represented under the California Science Center as Program 20. Funding is derived by revenue and reimbursements. Revenue is deposited into EPIF. The EPIF is used for funding improvements to Exposition Park. The EPIF is supported by revenues received primarily from parking; and to a lesser extent revenue from rental of state facilities, ground leases, other business activities. This request is for an increase in reimbursement authority as OEPM has increased its business activity to help address the Park's infrastructure improvement needs, while being properly managed.

STAFF COMMENTS

Staff has no concerns with this proposal.

Staff Recommendation: Approve as budgeted.

ISSUE 10: EXPOSITION PARK PUBLIC SAFETY STAFF AUGMENTATION

The Office of Exposition Park Management (OEPM) requests \$1.5 million of the Exposition Park Improvement Fund annually for two years to provide funding to continue management of the Department of Public Safety by the California Highway Patrol. The resources are needed to provide professional safety and security for both the millions of visitors to the park and the employees.

BACKGROUND

All the physical land and the majority of buildings on the property, with the exception of EXPO Center and the rose garden are owned by the State of California. The majority of employees are state employees. It is estimated there are four million visitors each year.

The OEPM consists of 25 Department of Public Safety (DPS) employees responsible for security services at Exposition Park. The last full law enforcement agency at Exposition Park was the California State Police in 1993. Since that time, DPS has assumed the responsibility for law enforcement within the park.

DPS currently maintains 24-hour patrol coverage year round. This also includes a dispatch center. The dispatch center handles all emergency calls within Exposition Park along with calls from 62 call boxes. DPS also monitors 50 fixed and rotating cameras throughout the park.

The growth of Exposition Park has placed responsibilities on DPS, which impact it daily to varying degrees. Safety protocols for Exposition Park and policies and procedures for DPS staff have been neglected for years. The assistance provided by the addition of CHP command staff will ensure the safety of the park for the future.

STAFF COMMENTS

The Subcommittee may wish to ask the Office of Exposition Park Management about the future of park in anticipation of the LA Rams. Will the resources in the request be adequate to provide the increased security with the increased future visitors to the park?

Staff Recommendation: Approve as budgeted.

8885 COMMISSION ON STATE MANDATES**ISSUE 11: LOCAL GOVERNMENT MANDATES: REASONABLE REIMBURSEMENT METHODOLOGY
TRAILER BILL LANGUAGE**

The Governor's proposal would require the State Controller's Office to audit all reimbursement claims used in the development of any new Reasonable Reimbursement Methodology (RRM).

BACKGROUND

The California Constitution requires that local governments be reimbursed for new programs or higher levels of service that the state imposes on them. Under the law, the Commission on State Mandates (CSM) determines whether a state requirement qualifies as a reimbursable mandate. The CSM adopts "Parameters and Guidelines" (P&Gs) that list the specific activities that are reimbursable. The State Controller's Office (SCO) then issues claiming instructions explaining how local agencies can file for reimbursement for the mandated activities.

Once the CSM has adopted P&Gs, local governments can submit claims for reimbursement based on the actual costs of the required activities. Alternatively, the CSM can adopt a RRM. The Legislature created the RRM process in 2004 with the intent to streamline the documentation and reporting process for mandates. An RRM allows local governments to be reimbursed based on general allocation formulas rather than detailed documentation of actual costs.

Currently there are 58 active education mandates and 22 active local government mandates that the CSM has adopted P&Gs. Of these, six mandates use the RRM process.

The Department of Finance, SCO, affected local governments, or an interested party may propose an RRM. When an RRM is proposed, the CSM cannot modify it, only adopt or reject the proposal. To be adopted by the CSM, an RRM must meet the following conditions:

- Use cost information from one of the following:
 - A representative sample of eligible claimants
 - Information provided by local government associations
 - Other projections of local costs
- Consider the variation in costs among local governments to implement the mandate in cost-efficient manner
- Be consistent with the mandated activities identified in the CSM's P&Gs.

LAO COMMENTS

The RRM process is intended to streamline reimbursement, but seldom used. The intent of the Legislature in establishing the RRM process was to reduce local governments' burden of documenting actual mandate costs, as well as reduce the work of state officials in reviewing and paying associated claims. The RRM process also provides an incentive for local governments to perform activities more efficiently.

Multiple opportunities for input. Current law allows multiple parties to submit RRM proposals for the same mandate, parties to submit arguments for and against RRM proposals, and any Commission on State Mandates decision to be challenged in court.

Proposal could significantly increase audits and make RRMs more burdensome. SCO currently audits roughly 650 claims per year. Since each audit can take many months to complete, the proposed audit requirement likely would lengthen the process for developing an RRM. As a result, it could become more difficult for local governments to proposed RRMs based on claims data in the future. Additionally, this could increase the SCO's workload.

For the reasons mentioned above, the LAO recommends rejecting the RRM proposal to audit all RRM claims.

STAFF COMMENTS

This proposal also is under review by Assembly Budget Subcommittee No. 2 because it affects the education mandates. The funding and suspending of state mandates has been on ongoing concern for the Legislature, especially in years when the budget was constrained.

The Subcommittee may wish to ask Finance why they are proposing a change to a process that is seldom used? How much will it save the state in the future? Has there been an increase by local governments utilizing the RRM process since the trend to suspend mandates has increased? Finally, the Subcommittee may wish to ask the Finance whether it is time to look at reforming the entire mandate process rather than taking a piecemeal approach.

Staff Recommendation: Hold Open.

8820 COMMISSION ON STATUS OF WOMEN AND GIRLS

ISSUE 12: OVERVIEW

The Commission on the Status of Women and Girls will provide an overview of their budget.

BACKGROUND

The Commission on Status of Women and Girls was established in 1965 to identify and work to eliminate inequities in state laws, practices and conditions that affect California's women and girls. The Commission regularly assesses gender equity in health, safety, employment, education and equal representation, the military and the media. The Commission provides leadership through research, policy and program development, education, outreach, collaboration, advocacy and strategic partnerships.

Fund Source (thousands)	2014-15 Actual	2015-16 Projected	2016-17 Proposed	BY to CY Change	% Change
General Fund	\$358	\$555	\$512	\$(3)	(0.5%)
Reimbursements	-	2	2	0	0%
Women and Girls Fund	5	372	372	0	0%
Total Expenditure	\$363	\$929	\$886	(43)	(4.6%)
Total Positions	2.1	4.2	4.2	0	0%

2015-16 Budget Action. During the 2015-16 Budget Act, the Commission's budget was increased and two positions were added.

STAFF COMMENTS

This item provides an overview of the Commission's actions since the previous budget year. The Subcommittee may wish to ask about filling their new positions and the status of fundraising for the Women and Girls Fund.

Staff Recommendation: This item is for information only.

1700 DEPARTMENT OF FAIR EMPLOYMENT AND HOUSING**ISSUE 14: ENFORCEMENT STAFFING AND RESOURCES**

The Governor's budget includes an increase of \$2.5 million (General Fund) for 28 positions in 2016-17, and \$2.8 million in 2017-18 and ongoing, to provide enforcement staff and resources to investigate complaints of civil rights violations and to respond to Public Records Act (PRA) requests.

BACKGROUND

The Department of Fair Employment and Housing (DFEH) receives, investigates, conciliates, mediates, and prosecutes complaints of alleged violations of the Fair Employment and Housing Act (FEHA), Unruh Civil Rights Act, Disabled Persons Act, and Ralph Civil Rights Act. At the core of the DFEH's mission is the mandate to provide thorough, timely and fair investigations of discrimination complaints received from the public.

DFEH receives approximately 23,000 employment and housing discrimination complaints annually and is required to investigate all complaints. Most of these are employment complaints. Approximately 50 percent of the claims are requests for "Right to Sue". This occurs when complainants decide to immediately sue rather than proceed through DFEH's investigation process and the "Right to Sue" letter from DFEH is required to file the lawsuit. The remaining 50 percent of claims are investigated by DFEH.

With respect to the PRA, DFEH receives approximately 300 to 400 PRA requests each month from the media, interest groups, and attorneys for information regarding DFEH's enforcement efforts. Requests may include involve multiple files and/or require DFEH to prepare multiple reports. In addition, some of the documents requested include confidential information that must be redacted of confidential information before they are provided to the PRA requester. Per statute, the DFEH has ten days to respond to the PRAs.

The 2012 Budget Act made significant changes to DFEH's workload by eliminating the Fair Employment and Housing Commission and transferring duties of the commission to DFEH. As a result, some of the staff used to conduct investigations were transferred to other functions and the number of cases each investigator was responsible for increased from about 150 to over 200. According to DFEH, the high caseload per investigator is unmanageable and resulting in complaints not being processed in a timely manner.

Since 2006-07 to 2015-16, the number of cases received and investigated has remained relatively flat over the time period. However, the number of investigator positions has declined and the average number of cases per investigator has increased. DFEH has had some problems with vacancy rates, however some changes in the job classification should help to resolve the problem.

	2006-07	2014-15
Total Cases	21,454	23,091
Number of Cases Investigated	13,504	11,675
Number of Investigators*	87.7	47
Average number of cases per investigator	154	248.4

*This includes staff in the DFEH Consultant I, II, and III Specialist classifications. The count does not include retired annuitants or Consultant III Supervisors who carry a limited caseload.

LAO COMMENTS

The LAO states that it is clear that the quality and timeliness of the investigations is lagging and that it appears to be in part because of staffing issues. However, the relationship between the timeliness metrics that they publish and their staffing levels is inconsistent.

The LAO recommend that the Legislature only approve the new staff only if the Department commits to report on a new set of metrics currently under development.

STAFF COMMENTS

Staff would recommend that this item be held open in order to work with the Department, DOF, LAO, and staff on developing reporting language that would require DFEH to report in 2017 on performance metrics under development.

Staff Recommendation: Hold Open.
