



May 13, 2022

Honorable Nancy Skinner, Chair  
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair  
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

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

**Carbon Sequestration Registry (SB 27)**—It is requested that Item 8570-001-0001 be increased by \$125,000 one-time in 2022-23 and 1 position for the California Department of Food and Agriculture (Department) to implement Chapter 237, Statutes of 2021 (SB 27). The budget includes resources to support this effort beginning in 2023-24, but funding is needed for the Department to collaborate with relevant agencies on the Carbon Sequestration and Climate Resiliency Project Registry beginning in 2022-23.

**Programmatic Environmental Impact Report Litigation Fees**—It is requested that Item 8570-001-0001 be increased by \$2,275,000 one-time in 2022-23 to pay court-ordered fees associated with the Department's Programmatic Environmental Impact Report legal case. This includes funding for the Department to consult with the Attorney General's Office as it updates its Programmatic Environmental Impact Report.

**Drought Resilience and Response Package: Special Assistant for Drought Response**—It is requested that statutory changes be made to add Item 8570-001-3398 in the amount of \$223,000 in 2021-22 and Item 8570-001-0001 be increased by \$223,000 and 1 position ongoing beginning in 2023-24 to serve as the lead for the Department on the state's drought response, including statewide program implementation of projects related to the drought (see Attachment 1). This proposal accelerates funding to address the immediate needs of the state and aligns appropriations to the fiscal year in which the resources are available. It is also requested that provisional language be added to allow for encumbrance or expenditure of current year funding until June 30, 2023.

**Continuation of the Bee Safe Program**—It is requested that Item 8570-001-0001 be increased by \$477,000 ongoing and Item 8570-001-0111 be increased by \$250,000 ongoing to continue operating a statewide Bee Safe Program to promote and protect

a safe, healthy food supply through the protection of commercial honeybees. This request includes statutory changes to authorize the Department to increase the annual apiary registration fee to support program activities performed by the counties.

**State Water Efficiency and Enhancement Program**—It is requested that Item 8570-101-0001 be decreased by \$50 million in 2022-23, Item 8570-102-0001 be decreased by \$20 million in 2022-23, and that statutory changes be made that increases Item 8570-101-0001 by \$110 million in 2021-22 for the State Water Efficiency and Enhancement Program to help farmers reduce irrigation water use and reduce greenhouse gas emissions from agriculture pumping and aid in statewide emergency response efforts (see Attachments 2, 3, and 4). This proposal accelerates funding which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available. . Additionally, it is requested that Provision 1 be deleted from Item 8570-101-0001 in 2022-23, Provision 7 be deleted from Item 8570-102-0001 in 2022-23, and Provision 2 of 8570-101-0001 be modified in 2021-22 to reflect additional funding for the Program in 2021-22. It is also requested that provisional language be added to allow for encumbrance or expenditure of current year funding until June 30, 2024.

**Extreme Heat: Various Investments**—It is requested that Item 8570-001-0001 be increased by \$850,000 in 2022-23 and 2023-24 and Item 8570-102-0001 be increased by \$1,075,000 in 2022-23 and \$1,575,000 in 2023-24 to fund activities that mitigate extreme heat impacts consistent with Chapter 258, Statutes of 2021 (see Attachment 3). This includes funding to support small, underserved farmers in implementing integrated pest management strategies, provide technical assistance to better handle unexpected animal mortality due to extreme heat, and provide origin inspection services to ensure that pests that may thrive under increased heat conditions are excluded from entering the state. It is also requested that provisional language be added to allow for encumbrance or expenditure of local assistance funding until June 30, 2025.

**Nature-Based Solutions: Healthy Soils Program**—It is requested that Item 8570-102-0001 be increased by \$10 million one-time in 2022-23 for the Healthy Soils Program to incentivize the implementation of conservation management that improves soil health, sequesters carbon, and reduces greenhouse gas emissions (see Attachment 3). This Program advances multi-benefit and nature-based solutions consistent with Chapter 258, Statutes of 2021. It is also requested that provisional language be added to allow for encumbrance or expenditure of this funding until June 30, 2025.

**Drought Resilience and Response Package: Drought Relief for Small Farmers**—It is requested that Item 8570-102-0001 be decreased by \$5 million one-time in 2022-23 and that statutory changes be made that add Item 8570-101-3398 in the amount of \$25 million one-time in 2021-22 for drought relief for small, mid-sized, and historically underserved farmers (see Attachments 3 and 5). This proposal accelerates funding which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available.. Additionally, it is requested that Provision 10 be deleted from Item 8570-102-0001 in 2022-23, and that provisional language be added to allow for encumbrance or expenditure of current year funding until June 30, 2024.

**Drought Resilience and Response Package: Water Efficiency Technical Assistance Program**—It is requested that statutory changes be made that add Item 8570-101-3398 in the amount of \$15 million one-time in 2021-22 for the Water Efficiency Technical Assistance Program to help growers identify and implement efficiency improvements in existing irrigation systems and aid in statewide emergency response efforts (see Attachment 5). This proposal accelerates funding which enables the state to prioritize these projects moving forward at a point when the state has available resources and aligns appropriations to the fiscal year in which the resources are available.. It is also requested that provisional language be added to allow for encumbrance or expenditure of this funding until June 30, 2024.

**Reappropriation of Greenhouse Gas Reduction Funding**—It is requested that Item 8570-491 be added to reappropriate the unencumbered balances of Item 8570-101-3228, Budget Act of 2017 and Item 8570-101-3228, Budget Act of 2018 for methane reductions projects until June 30, 2024 (see Attachment 6). This funding supports the Alternative Manure Management Project and the Dairy Digester Research and Development Program, which help the state meet its greenhouse gas reduction goals.

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 Sergio Aguilar, Assistant Program Budget Manager, at (916) 324-0043.

KEELY MARTIN BOSLER  
Director  
By:

/s/ Erika Li

ERIKA LI  
Chief Deputy Director

Attachment

cc: On following page

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee  
Attention: Mark McKenzie, Staff Director  
Honorable Jim Nielsen, Vice Chair, Senate Budget and Fiscal Review Committee  
Attention: Kirk Feely, Fiscal Director  
Honorable Chris R. Holden, Chair, Assembly Appropriations Committee  
Attention: Jay Dickenson, Chief Consultant  
Honorable Vince Fong, Vice Chair, Assembly Budget Committee  
Attention: Joseph Shinstock, Fiscal Director  
Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2  
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3  
Gabriel Petek, Legislative Analyst  
Christopher W. Woods, Senate President pro Tempore's Office  
Jason Sisney, Assembly Speaker's Office  
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office  
Katja Townsend, Capitol Director, Assembly Republican Leader's Office  
Karen Ross, Secretary, California Department of Food and Agriculture  
Christine Birdsong, Undersecretary, California Department of Food and Agriculture  
Kevin Masuhara, Deputy Secretary, Administration and Finance, California Department of  
Food and Agriculture  
Jody Lusby, Division Director, Administrative Services, California Department of Food and  
Agriculture  
Nathan Johnson, Budget Officer, California Department of Food and Agriculture

Statutory change to add Item 8570-001-3398 to the Budget Act of 2021:

8570-001-3398—For local assistance, Department of Food and Agriculture...223,000

Schedule:

(1) 6590-General Agricultural Activities

Provisions:

1. The amount appropriated in this item shall be available for encumbrance or expenditure until June 30, 2023.

Amendment to Item 8570-101-0001

"8570-101-0001—For local assistance, Department of Food and Agriculture... ~~59,010,000~~  
9,010,000

Schedule:

(1) 6570-Agricultural Plant and Animal Health; Pest Prevention; Food Safety Services...6,405,000

(2) 6580-Assistance to Fair and County Agricultural Activities...2,605,000

~~(3) 6590-General Agricultural Activities...50,000,000~~

Provisions:

~~1. The amount appropriated in Schedule (3) shall be available for the State Water Efficiency and Enhancement Program and shall be available for encumbrance or expenditure until June 30, 2024. Up to 5 percent of this amount may be used for administrative costs. No less than 5 percent and no more than \$5,000,000 shall be used for technical assistance grants pursuant to Section 570 of the Food and Agriculture Code."~~

Amend Item 8570-102-0001 as follows:

“Provisions:

~~7. Of the amount appropriated in Schedule (2), \$20,000,000 shall be available for the State Water Efficiency and Enhancement Program. This amount shall be available for encumbrance or expenditure until June 30, 2024, and liquidation until June 30, 2026.~~

~~10. Of the amount appropriated in Schedule (2), \$5,000,000 shall be available for drought relief for small farmers. This amount shall be available for encumbrance or expenditure until June 30, 2024, and liquidation until June 30, 2026.~~

13. Of the funding appropriated in Schedule (2), \$1,075,000 shall be available for integrated pest management technical assistance. This amount shall be available for encumbrance or expenditure until June 30, 2025.

14. Of the funding appropriated in Schedule (2), \$10,000,000 shall be available for the Healthy Soils Program. This amount shall be available for encumbrance or expenditure until June 30, 2025.”

Statutory changes to amend Item 8570-101-0001, Budget Act of 2021:

"8570-101-0001—For local assistance, Department of Food and Agriculture...  
~~109,010,000~~ 219,010,000

Schedule:

- (1) 6570-Agricultural Plant and Animal Health; Pest Prevention; Food Safety Services...6,405,000
- (3) 6580-Assistance to Fair and County Agricultural Activities...52,605,000
- (4) 6590-General Agricultural Activities...~~50,000,000~~ 160,000,000

Provisions:

- 2. Of the amount appropriated in Schedule (4), ~~\$50,000,000~~ \$160,000,000 shall be available for the State Water Efficiency and Enhancement Program. Up to 5 percent of this amount may be used for administrative costs. No less than 5 percent and no more than \$5,000,000 shall be used for technical assistance grants pursuant to Section 570 of the Food and Agriculture Code.
- 3. The amount appropriated in Schedule (4) shall be available for encumbrance or expenditure until June 30, ~~2023~~ 2024."



Statutory changes to add Item 8570-101-3398 to the Budget Act of 2021:

8570-101-3398—For local assistance, Department of Food and Agriculture...40,000,000

Schedule:

(1) 6590-General Agricultural Activities

Provisions:

1. Of the funding appropriated in this item, \$15,000,000 shall be available for the Water Efficiency Technical Assistance Program.
2. Of the funding appropriated in this item, \$25,000,000 shall be available for drought relief for small farmers.
3. The amount appropriated in this item shall be available for state operations or local assistance and shall be available for encumbrance or expenditure until June 30, 2024. Up to 5 percent of this item may be used for administrative costs.

8570-491—Reappropriation, Department of Food and Agriculture. The amounts specified in the following citations are reappropriated for the purposes provided in those appropriations and shall be available for encumbrance or expenditure until June 30, 2024:

3228-Greenhouse Gas Reduction Fund

- (1) Item 8570-101-3228, Budget Act of 2017, as reappropriated by Item 8570-491, Budget Act of 2021
- (2) Item 8570-101-3228, Budget Act of 2018, as reappropriated by Item 8570-492, Budget Act of 2021



May 13, 2022

Honorable Nancy Skinner, Chair  
Senate Budget and Fiscal Review Committee

Attention: Elisa Wynne, Staff Director

Honorable Phil Ting, Chair  
Assembly Budget Committee

Attention: Christian Griffith, Chief Consultant

**Amendment to and Addition of Various Budget Bill Items, Support and Local Assistance, and Statutory Changes, California Public Utilities Commission (CPUC)**

**Energy Package: Residential Solar and Storage**—It is requested that Item 8660-002-0001 be added in the amount of \$48.5 million in fiscal year 2022-23 and \$48.5 in 2023-24, and Item 8660-102-0001 be added in the amount of \$21.5 million in 2022-23 and \$851.5 million in 2023-24 to support a new sector in the Self Generative Incentive Program that will provide residential solar and storage system incentives for low-income households and storage-only incentives. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming (see Attachment 1 and 2).

**Energy Package: Capacity Building Grants**—It is requested that Item 8660-001-0001 be added in the amount of \$30 million to provide capacity grants to community-based organizations that conduct outreach and technical assistance to foster participation in commission decision-making processes, support ongoing equity initiatives, and provide clean energy access opportunities. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package (see Attachment 3).

**Universal Lifeline Telephone Service Program (California LifeLine Program)**—It is requested that Item 8660-001-0471 be increased by \$901,000 ongoing and Item 8660-101-0471 be decreased by \$9,782,000 ongoing to reflect new caseload projections and an extension of COVID-19 Pandemic service protections through June 30, 2022.

**Energy Package: Removal of the Fixed Charge Cap**—It is requested that Statutory Changes be added to remove the current statutory cap on fixed charges that may be assessed by the CPUC on the electric investor-owned utilities' default residential electric

rate tariffs. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming.

**Energy Package: Energy Data Sharing**—It is requested that Statutory Changes be added to allow the CPUC to share data with the California Independent System Operator to help with planning and reliability efforts. This proposal is part of the Administration's Energy Reliability, Relief and Clean Energy Package. Statutory language for this proposal is forthcoming.

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 Teresa Calvert, Program Budget Manager, at (916) 322-2263.

KEELY MARTIN BOSLER  
Director  
By:

/s/ Erika Li

ERIKA LI  
Chief Deputy Director

Attachment

cc: Honorable Anthony Portantino, Chair, Senate Appropriations Committee  
Attention: Mark McKenzie, Staff Director  
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Honorable Bob Wieckowski, Chair, Senate Budget and Fiscal Review Subcommittee No. 2  
Honorable Richard Bloom, Chair, Assembly Budget Subcommittee No. 3  
Gabriel Petek, Legislative Analyst  
Christopher W. Woods, Senate President pro Tempore's Office  
Jason Sisney, Assembly Speaker's Office  
Paul Dress, Caucus Co-Chief of Staff, Assembly Republican Leader's Office  
Katja Townsend, Capitol Director, Assembly Republican Leader's Office  
Rachel Peterson, Executive Director, California Public Utilities Commission  
Ryan Dulin, Deputy Director, California Public Utilities Commission  
Harsh Thakar, Budget Officer, California Public Utilities Commission